

COASTSIDE COUNTY WATER DISTRICT

**766 Main Street
Half Moon Bay, CA 94019**

SPECIAL MEETING OF THE BOARD OF DIRECTORS

Tuesday, June 30, 2015 - 7:00 p.m.

AGENDA

1) ROLL CALL

2) PUBLIC COMMENT

Members of the public may address the Board of Directors on the items on the agenda for this special meeting. The Chair requests that each person addressing the Board complete and submit a speaker slip, and limit their comments to three (3) minutes.

3) SPECIAL ORDER OF BUSINESS - FISCAL YEAR 2015-2016 BUDGET, FISCAL YEAR 2015/2016 TO 2024/25 CAPITAL IMPROVEMENT PROGRAM, RESOLUTION AMENDING THE GENERAL REGULATIONS REGARDING WATER SERVICE AND RESOLUTION AMENDING THE RATE AND FEE SCHEDULE

A. Staff Presentations ([attachment](#))

- a. Fiscal Year 2015-2016 Operation and Maintenance Budget ([attachment](#))
- b. Fiscal Year 2015/16 to 2024/25 Capital Improvement Program ([attachment](#))
- c. Proposed Amendment to General Regulations Regarding Water Service
- d. Proposed Amendment to Rate and Fee Schedule

B. Public Hearing to consider proposed Amendment of Rate and Fee Schedule to increase water rates and consideration of a Resolution of the Board of Directors of the Coastside County Water District Amending the Rate and Fee Schedule to Increase Water Rates

Board Comments / Board Action:

- C. Adoption of Resolution 2015-08 - A Resolution of the Board of Directors of the Coastside County Water District Amending the Rate and Fee Schedule to Increase Water Rates ([attachment](#))
- D. Approval of Fiscal Year 2015-2016 Operation and Maintenance Budget and Capital Improvement Program for Fiscal Year 2015/2016 to 2024/2025 ([attachment](#))
- E. Adoption of Resolution 2015-07 - A Resolution of the Board of Directors of the Coastside County Water District Amending the General Regulations Regarding Water Service ([attachment](#))

4) ADJOURNMENT

Accessible Public Meetings - Upon request, the Coastside County Water District will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, telephone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service at least two (2) days before the meeting. Requests should be sent to: Coastside County Water District, Attn: Alternative Agenda Request, 766 Main Street, Half Moon Bay, CA 94019.



Coastsides County Water District

Special Meeting
June 30, 2015



FY2015–2016 Operating Budget and Capital Improvement Plan Overview

Budget Process

- ▶ FY2015–2016 process has been particularly challenging given the drought and continually unfolding developments surrounding the Governor’s Executive Order to reduce water usage 25% statewide . . . *(we’ve held 8 public meetings on the budget . . .)*

<ul style="list-style-type: none"> • February 25 – Facilities Committee meeting to discuss CIP 	<ul style="list-style-type: none"> • April 20 – San Juan Capistrano Prop 218 Appellate decision; Staff works with HF&H to fine tune a cost of service analysis that support rates
<ul style="list-style-type: none"> • March 2– Budget kickoff meeting with Finance Advisory Committee 	<ul style="list-style-type: none"> • May 12 – Budget review with Finance Advisory Committee
<ul style="list-style-type: none"> • March 31 – Budget Workshop – initial O&M budget and CIP presented 	<ul style="list-style-type: none"> • May 12 Board Meeting – HF&H presents Water Rate Structure Update
<ul style="list-style-type: none"> • April 1 – Governor Brown issues his Executive Order 	<ul style="list-style-type: none"> • June 9 Board Meeting – Continued discussions of budget and CIP
<ul style="list-style-type: none"> • April 14 Board meeting – revised budget incorporating Governor’s order and preliminary HF&H study 	<ul style="list-style-type: none"> • June 30 Special meeting

FY2015–2016 Budget Overview

The District's oversight includes:

- (2) water treatment plants
- Crystal Springs Pump Station
- (11) treated water tanks
- 1,000+ fire hydrants
- 100 miles of pipeline (estimated replacement cost of \$1M per mile)
- \$47M+ assets (book value)

	FY2015 -2016 Budget (in \$000's)
Water Purchases - San Francisco Public Utilities (SFPUC)	\$ 2,872
Electricity	\$ 457
Operating Expenses	\$ 5,029
Debt Service	\$ 824
Non-Operating Revenue	\$ (1,118)
Contribution to Capital Improvements/Reserves	\$ 1,800
TOTAL - WATER REVENUE REQUIREMENT	\$ 9,864

Key Budget Assumptions

- ▶ Includes water sales reductions given mandated conservation requirements.
 - Assumes 590 million gallons (MG) annual sales down from 620 MG in FY2014–2015 and 697 MG in FY2013–2014
- ▶ 30% increase in SFPUC wholesale water rates to the District
- ▶ Increased electricity due to greater reliance on Crystal Springs Pump Station vs. local sources due to drought
- ▶ Increase of \$328K for demand management due to drought (\$263K personnel, consulting, and outreach; \$65K capital)
- ▶ 4% inflation

Capital Improvement Plan

- ▶ \$34M total CIP (FY2016 dollars) – through FY2025
 - FY2016 Plan = \$4.4M
- ▶ FY2015–2016 budget assumes \$1.4M financed out of operating revenue
- ▶ Recommend borrowing \$3M for high–priority projects, including:
 - El Granada Pipeline Final Phase (Pilarcitos Creek crossing)
 - Urgent replacement due to high risk of failure
 - Denniston Booster Station
 - Bridgeport Drive Transmission Pipeline
 - Denniston and Bridgeport investments – will reduce reliance on SFPUC water and provide long–term cost savings for the District



Proposed Amendment to Rate and Fee Schedule

Proposed Rate Increase

- ▶ 24% overall increase is proposed to fund *water revenue requirements*, including . . .
 - Operations and Maintenance expenses, debt service, and Capital Improvements
 - Rates are supported by a Cost of Service Analysis (as described by HF&H Consultants in their May 8, 2015 Water Rate Structure Update) – and designed to comply with April, 2015 San Juan Capistrano Appellate decision

What is a “Cost of Service Analysis”?

- ▶ A “cost of service analysis”
 - Is used to compute customer rates– to only allow recovery of a Water utility’s costs (including capital improvements) in its rates and fees.
 - Proportionately allocates costs to each class or service (e.g. to each customer’s parcel and usage)
 - No customer should pay proportionately a greater share
 - Customers can be charged more – if costs can be attributed to that class of customers

CCWD's Cost of Service Analysis

- ▶ Allocates all district costs to either residential or non-residential customers based upon water use or capacity (equivalent meter units)
- ▶ Residential demand management cost components are allocated to Tiers 2-4 where the District focuses greater expenditures of effort and expense to reduce water use
- ▶ Allocation methodology is presented in detail in HF&H's Water Rate Structure Update

Tier Structure Realignment

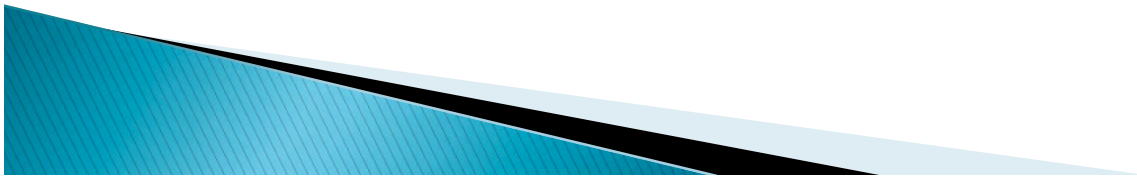
- ▶ New rate structure includes changes to the tier structure in order to encourage conservation.
- ▶ Tiers are being realigned to reflect the District's reduced demand in recent years given plumbing retrofits, more efficient appliances, and increased public awareness.
 - In Fiscal Year 2013–2014, 67% of the District's residential users had bi-monthly usage less than 16 hcf
 - Current District median use is 8 hcf in winter; 15 hcf in summer
 - Tier 2 cap will move from 25 hcf to 16 hcf to encourage conservation

Residential Quantity Charge Design

- ▶ New realigned tier structure encourages conservation . . .

Tier	Current Breakpoints	Proposed Breakpoints	Service Provided
Tier 1	0–8 HCF	0–4 HCF	Essential Indoor Use (50 gpd)
Tier 2	9–25 HCF	5–16 HCF	Indoor + Median Summer Use
Tier 3	26–40 HCF	17–30 HCF	Up to Two Times Median Summer Use
Tier 4	Over 41 HCF	Over 30 HCF	Excessive Use

From HF&H Consultants May 12 Water Rate Structure Update Presentation Slides



Base charges for both Residential and Non- *will increase 18% . . .*

Most residential users →

Base Service Charge		
Meter Size	<u>Current</u> (Bimonthly)	<u>Proposed</u> (Bimonthly)
5/8"	\$40.13	\$47.45
5/8" for 2 dwelling units	\$80.26	\$94.90
3/4"	\$60.32	\$71.32
3/4 inch for 2 dwelling units	\$120.64	\$142.63
1"	\$100.54	\$118.87
1.5"	\$194.16	\$229.56
2"	\$321.78	\$380.44
3"	\$703.94	\$832.27
4"	\$2,413.82	\$2,853.84
Quantity Charge		

Proposed Quantity Charges

RESIDENTIAL QUANTITY CHARGES

	Current Rates		Proposed Rates	
	Bimonthly HCF	Bimonthly Charge per HCF	Bimonthly HCF	Bimonthly Charge per HCF
Tier 1	1-8	\$ 6.55	1-4	\$ 8.35
Tier 2	9-25	\$ 7.22	5-16	\$ 9.33
Tier 3	26-40	\$ 9.38	17-30	\$ 12.03
Tier 4	41+	\$ 11.61	31+	\$ 15.94

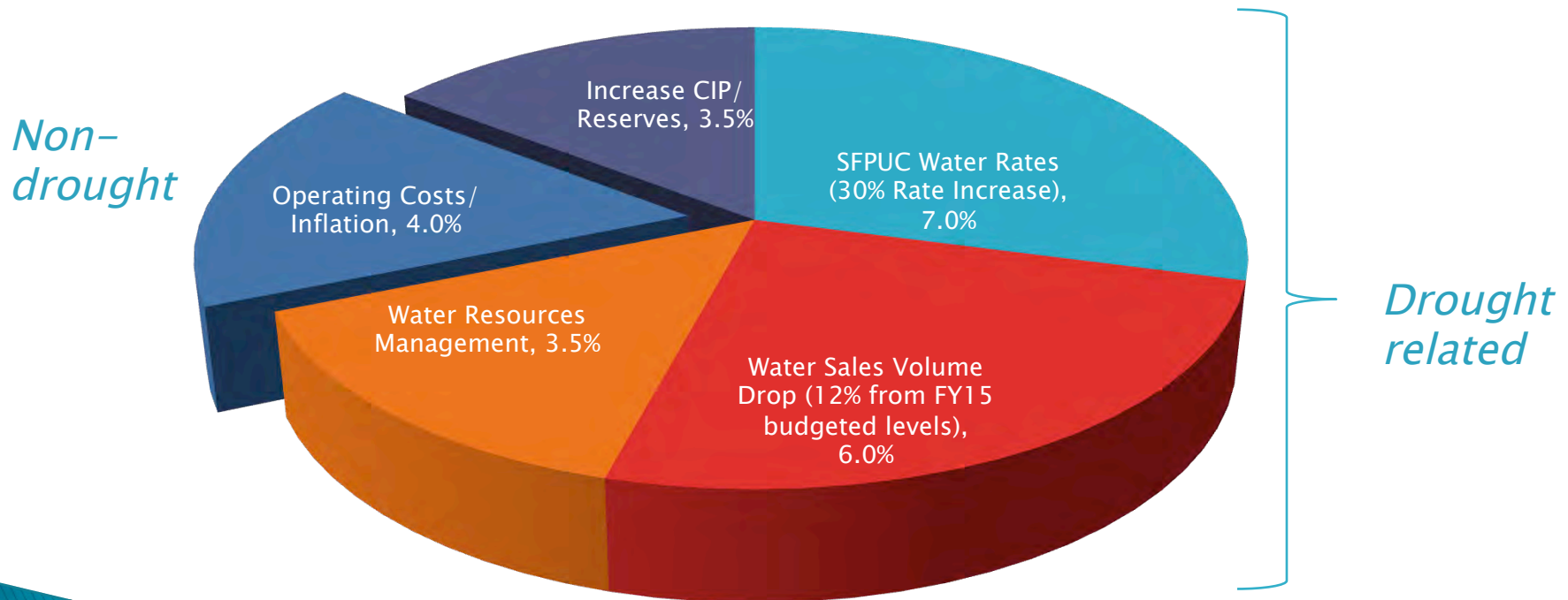
NON-RESIDENTIAL QUANTITY CHARGES

ALL	\$ 8.93	ALL	\$ 10.28
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SAMPLE Bi-Monthly Bill Comparisons

Residential (5/8" meter)								
	4 hcf		8 hcf		16 units		30 hcf	
Current Rates	\$	66.33	\$	92.53	\$	150.29	\$	262.17
Proposed Rates	\$	80.85	\$	118.17	\$	192.81	\$	361.23
<i>% change from current rates</i>		<i>22%</i>		<i>28%</i>		<i>28%</i>		<i>38%</i>
<i>\$ change from current rates</i>	\$	<i>14.52</i>	\$	<i>25.64</i>	\$	<i>42.52</i>	\$	<i>99.06</i>
<i># gallons per bi-monthly period</i>		<i>2,992</i>		<i>5,984</i>		<i>11,968</i>		<i>22,440</i>
<i>Proposed average cost per gallon</i>	\$	<i>0.027</i>	\$	<i>0.020</i>	\$	<i>0.016</i>	\$	<i>0.016</i>
Non-Residential (1" meter)								
	13 hcf		26 hcf		52 hcf		65 hcf	
Current Rates	\$	216.63	\$	332.72	\$	564.90	\$	680.99
Proposed Rates	\$	252.51	\$	386.15	\$	653.43	\$	787.07
<i>% change from current rates</i>		<i>17%</i>		<i>16%</i>		<i>16%</i>		<i>16%</i>
<i>\$ change from current rates</i>	\$	<i>35.88</i>	\$	<i>53.43</i>	\$	<i>88.53</i>	\$	<i>106.08</i>

Our 24% rate increase is largely driven by the drought . . .





FAQ's

(Frequently Asked Questions)

Why is the District proposing such a large increase this year?

- ▶ California's historic drought is the single biggest factor driving rate increases higher
 - CCWD experienced significant drop in water sales due to State mandated conservation, requiring a greater rate increase to cover costs that are largely fixed
 - April and May 2015 are 22% and 47% down from the same months in 2013
 - San Francisco Public Utilities Commission (SFPUC), our primary water supplier, has faced similar declines in volume ---- resulting in an increase of 30% in the cost of water to the District

(Drought Related) Budget Risks

Key budget assumption : we will get through FY2016 without mandatory allocations. . . .

Risks	\$ Impact
Reduced water sales to 560 MG (from 590 MG plan)	\$350–400K
Increased % of non–revenue water (Plan is for 6.6%; recent history is 10%)	\$110K
Increased reliance on SFPUC (vs. District owned sources) due to reduced local source production given continued drought	\$250K
Elimination of supply from Pilarcitos (resulting in increased pumping costs from Crystal Springs)	\$90K

. . . Our reserves provide very limited capacity to accept downside risk

Why am I being penalized for using less water?

- ▶ *The District must raise rates to cover fixed costs when water use goes down . . . There's no penalty!*
- ▶ *You will always save money by conserving, even though rising rates may cause your bill to increase.*
- ▶ *Water conservation will deliver significant cost savings to all District customers as future supplies come under increasing pressure from a growing population, climate change, and increased environmental regulations.*

Conservation = Long Term Savings

Will my rates go back down when we are out of the drought?

- ▶ Lifting drought-related water restrictions will increase the District's revenues and help to moderate rate increases
 - It often takes years to recover usage back to pre-drought levels (We are still down over 25% from 2007)
 - Water rates are reviewed annually. If the District generates more revenue from water sales than necessary to fund operating expenses and capital replacement and to maintain reserves, the Board of Directors could approve a rate decrease.

Will the new rates include a reduced rate for low income or fixed income customers?

- ▶ Under the provisions of California Proposition 218, the District cannot provide reduced rates for low income or fixed income customers.
 - Rates must reflect cost of providing the service to our customers.

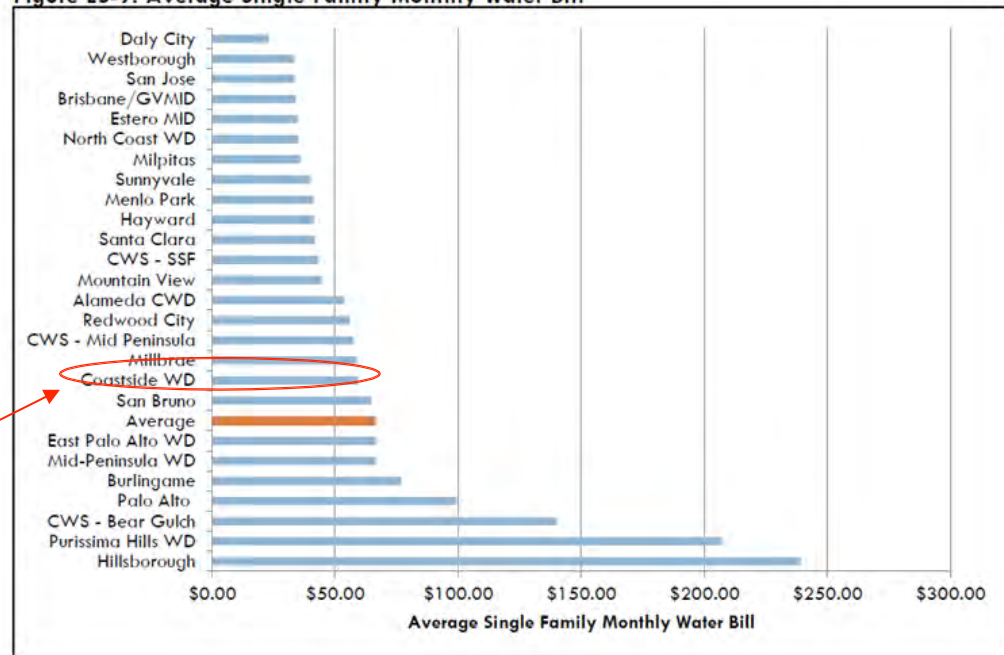
How does my average bill compare to other water agencies?

In the most recent year's study by BAWSCA (Bay Area Water Supply and Conservation Agency,) our District's average bill fell just below the average for 26 cities and agencies spanning the Bay Area . . .

And . . . Our District is the only agency in BAWSCA who treats our own water. (Other agencies get treated water from SFPUC.)

BAWSCA Annual Survey – FY 2013-14

Figure ES-9: Average Single Family Monthly Water Bill



Why are CCWD's per unit rates higher than in some California cities?

- ▶ To compare rates across agencies is difficult as the water sources and associated costs, distribution networks, and water treatment responsibilities vary across agencies.
 - *Again*, CCWD is the only agency among SFPUC's 26 wholesale customers that receives untreated water, requiring us to build, staff, and maintain water treatment facilities.



Proposed Amendment to General Regulations Regarding Water Service

Proposed changes to *Regulations* . . .

- ▶ Housekeeping changes
 - Removed references to fee amounts in *Regulations*
 - Instead, we direct users to the *Rate and Fee Schedule for fee \$*
 - Sections K6 and N1
 - Section J – Bills and Payments – now includes references to “monthly” billing for non-residential
- ▶ Implementation of Shut-Off Warning Notice Fee for 48 hour notices
 - \$15 fee established in the *Rate and Fee Schedule*
 - District posts ap. 100 notices/month – fee will help cover costs

Other Rate Schedule Changes

- ▶ The District is changing the fees below in order to recover its cost of service:

Fee Description	Proposed July 1, 2015	Current
Shut Off Warning Notice Fee (charged when 48 hour shut off notice is provided to customer)	\$ 15	none
Reconnection Fee - During Business Hours	\$ 50	\$ 20
Reconnection Fee - After Hours	\$ 150	\$ 50
Unauthorized turn-on of a connection to District water service	\$150 + labor and materials to repair damaged property	\$ 25

The basis for calculating these fees is included in the Staff report

Operations & Maintenance Budget - FY 2015/2016

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Account Number	Description	Proposed Budget FY 15/16	Approved FY14/15 Budget	FY 15/16 Budget Vs. FY 14/15 Budget		Proj Year End Actual FY 14/15	FY 15/16 Budget Vs. FY 14/15 Actual		YTD Actual FY 14/15 as of February 28, 2015
				\$ Change	% Change		\$ Change	% Change	
OPERATING REVENUE									
4120	Water Sales (1) *	\$9,863,916	\$8,832,988	\$1,030,928	11.7%	\$8,200,000	\$1,663,916	20.3%	\$5,600,403
Total Operating Revenue		\$9,863,916	\$8,832,988	\$1,030,928	11.7%	\$8,200,000	\$1,663,916	20.3%	\$5,600,403
NON-OPERATING REVENUE									
4170	Hydrant Sales	\$40,000	\$25,000	\$15,000	60.0%	\$45,704	-\$5,704	-12.5%	\$30,704
4180	Late Penalty	\$90,000	\$70,000	\$20,000	28.6%	\$91,145	-\$1,145	-1.3%	\$61,145
4230	Service Connections	\$10,000	\$8,000	\$2,000	25.0%	\$10,854	-\$854	-7.9%	\$7,254
4920	Interest Earned	\$2,550	\$2,544	\$6	0.2%	\$2,398	\$152	6.3%	\$1,798
4930	Property Taxes	\$600,000	\$600,000	\$0	0.0%	\$641,952	-\$41,952	-6.5%	\$431,952
4950	Miscellaneous	\$37,000	\$37,000	\$0	0.0%	\$26,805	\$10,195	38.0%	\$17,805
4955	Cell Site Lease Income	\$139,245	\$134,880	\$4,365	3.2%	\$144,059	-\$4,814	-3.3%	\$96,059
4965	ERAF Refund	\$200,000	\$200,000	\$0	0.0%	\$356,277	-\$156,277	-43.9%	\$356,277
Total Non-Operating Revenue		\$1,118,795	\$1,077,424	\$41,371	3.8%	\$1,319,193	-\$200,398	-15.2%	\$1,002,993
TOTAL REVENUES		\$10,982,711	\$9,910,412	\$1,072,299	10.8%	\$9,519,193	\$1,463,518	15.4%	\$6,603,396
OPERATING EXPENSES									
5130	Water Purchased	\$2,871,947	\$2,446,253	\$425,694	17.4%	\$2,375,778	\$496,168	20.9%	\$1,392,114
5230	Electrical Exp. Nunes WTP	\$29,500	\$25,000	\$4,500	18.0%	\$29,670	-\$170	-0.6%	\$19,670
5231	Electrical Expenses, CSP	\$307,052	\$150,910	\$156,142	103.5%	\$354,630	-\$47,578	-13.4%	\$279,567
5232	Electrical Expenses/Trans. & Dist.	\$12,800	\$13,700	-\$900	-6.6%	\$12,613	\$187	1.5%	\$8,613
5233	Elec Exp/Pilarcitos Cyn	\$18,000	\$24,995	-\$6,995	-28.0%	\$19,184	-\$1,184	-6.2%	\$13,184
5234	Electrical Exp., Denn	\$90,100	\$120,000	-\$29,900	-24.9%	\$49,643	\$40,457	81.5%	\$19,653
5235	Denn. WTP Oper.	\$30,000	\$27,000	\$3,000	11.1%	\$29,340	\$660	2.2%	\$24,840
5236	Denn WTP Maint	\$32,000	\$52,500	-\$20,500	-39.0%	\$23,975	\$8,025	33.5%	\$12,975
5240	Nunes WTP Oper	\$52,764	\$40,450	\$12,314	30.4%	\$68,088	-\$15,324	-22.5%	\$43,088
5241	Nunes WTP Maint	\$55,500	\$51,500	\$4,000	7.8%	\$35,783	\$19,717	55.1%	\$16,783
5242	CSP - Operation	\$8,500	\$8,500	\$0	0.0%	\$9,251	-\$751	-8.1%	\$6,751
5243	CSP - Maintenance	\$37,000	\$40,000	-\$3,000	-7.5%	\$30,137	\$6,863	22.8%	\$17,137
5250	Laboratory Expenses	\$40,000	\$40,000	\$0	0.0%	\$35,017	\$4,983	14.2%	\$21,517
5318	Studies/Surveys/Consulting	\$240,000	\$240,000	\$0	0.0%	\$97,612	\$142,388	145.9%	\$27,612
5321	Water Conservation	\$37,000	\$39,000	-\$2,000	-5.1%	\$37,378	-\$378	-1.0%	\$30,878
5322	Community Outreach	\$95,100	\$41,700	\$53,400	128.1%	\$33,692	\$61,408	182.3%	\$8,692
5327	Water Resources	\$0	\$0	\$0		\$0	\$0		\$0
5411	Salaries - Field	\$1,118,506	\$1,060,431	\$58,075	5.5%	\$1,096,407	\$22,099	2.0%	\$731,407
5412	Maintenance Expenses	\$268,500	\$211,500	\$57,000	27.0%	\$217,456	\$51,044	23.5%	\$137,456
5414	Motor Vehicle Exp.	\$55,650	\$50,650	\$5,000	9.9%	\$50,661	\$4,989	9.8%	\$37,661
5415	Maintenance, Wells	\$40,000	\$10,000	\$30,000	300.0%	\$11,500	\$28,500	247.8%	\$4,500
5610	Salaries, Admin.	\$1,061,780	\$809,262	\$252,518	31.2%	\$788,802	\$272,978	34.6%	\$452,802
5620	Office Expenses	\$164,475	\$157,825	\$6,650	4.2%	\$155,122	\$9,353	6.0%	\$80,122
5621	Computer Services	\$103,800	\$91,800	\$12,000	13.1%	\$81,838	\$21,962	26.8%	\$45,838
5625	Meetings/Training/Seminars	\$24,000	\$23,000	\$1,000	4.3%	\$30,057	-\$6,057	-20.2%	\$22,557
5630	Insurance	\$115,000	\$115,000	\$0	0.0%	\$117,255	-\$2,255	-1.9%	\$65,255
5635	Ee/Ret Medical Insurance	\$527,457	\$482,296	\$45,161	9.4%	\$428,676	\$98,781	23.0%	\$275,676
5640	Employee Retirement	\$505,322	\$525,288	-\$19,966	-3.8%	\$534,047	-\$28,725	-5.4%	\$356,047
5645	SIP 401a Plan	\$30,000	\$30,000	\$0	0.0%	\$30,000	\$0	0.0%	\$0
5681	Legal	\$60,000	\$60,000	\$0	0.0%	\$55,600	\$4,401	7.9%	\$37,600
5682	Engineering	\$14,000	\$14,000	\$0	0.0%	\$5,480	\$8,520	155.5%	\$3,480
5683	Financial Services	\$24,000	\$24,000	\$0	0.0%	\$21,585	\$2,415	11.2%	\$16,585
5684	Payroll Taxes	\$153,056	\$135,168	\$17,888	13.2%	\$124,084	\$28,972	23.3%	\$83,084
5687	Memberships & Subscriptions	\$71,290	\$63,074	\$8,216	13.0%	\$64,809	\$6,481	10.0%	\$32,809
5688	Election Expense	\$25,000	\$0	\$25,000		\$0	\$25,000		\$0
5689	Union Expenses	\$6,000	\$6,000	\$0	0.0%	\$0	\$6,000		\$0
5700	County Fees	\$17,700	\$17,700	\$0	0.0%	\$16,835	\$865	5.1%	\$16,835
5705	State Fees	\$16,000	\$16,000	\$0	0.0%	\$13,035	\$2,965	22.7%	\$8,035
Total Operating Expenses		\$8,358,799	\$7,264,502	\$1,094,297	13.1%	\$7,085,041	\$1,273,758	18.0%	\$4,350,824
CAPITAL ACCOUNTS									
5712	Existing Bonds - 2006B	\$485,889	\$485,889	\$0	0.0%	\$485,866	\$22	0.0%	\$350,866
5715	Existing Bond-CIEDB 11-099	\$338,024	\$338,024	\$0	0.0%	\$338,024	\$0	0.0%	\$338,024
Total Capital Accounts		\$823,913	\$823,913	\$0	0.0%	\$823,890	\$22	0.0%	\$688,890
TOTAL REVENUE LESS TOTAL EXPENSE		\$1,800,000	\$1,821,997	-\$21,997	-1.2%	\$1,610,262	\$189,738	11.8%	\$1,563,682
5713	Cont. to CIP & Reserves	\$1,800,000							

Notes:

Operations & Maintenance Budget - FY 2015/2016

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Account Number	Description	Proposed Budget FY 15/16	Approved FY14/15 Budget	FY15/16 Budget Vs. FY 14/15 Budget	FY 15/16 Budget Vs. FY 14/15 Budget	Proj Year End Actual FY 14/15	FY 15/16 Budget Vs. FY 14/15 Actual	FY 15/16 Budget Vs. FY 14/15 Actual	YTD Actual FY 14/15 as of February 28, 2015
OPERATING REVENUE									
4120	Water Sales (1) *	\$9,863,916	\$8,832,988	\$1,030,928	11.7%	\$8,200,000	\$1,663,916	20.3%	\$5,600,403
Total Operating Revenue		\$9,863,916	\$8,832,988	\$1,030,928	11.7%	\$8,200,000	\$1,663,916	20.3%	\$5,600,403
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OPERATING EXPENSES									
Source of Supply									
5130	Water Purchased	\$2,871,947	\$2,446,253	\$425,694	17.4%	\$2,375,778	\$496,168	20.9%	\$1,392,114
Pumping (Electrical)									
5230	Electrical Exp. Nunes WTP	\$29,500	\$25,000	\$4,500	18.0%	\$29,670	-\$170	-0.6%	\$19,670
5231	Electrical Expenses, CSP	\$307,052	\$150,910	\$156,142	103.5%	\$354,630	-\$47,578	-13.4%	\$279,567
5232	Electrical Expenses/Trans. & Dist.	\$12,800	\$13,700	-\$900	-6.6%	\$12,613	\$187	1.5%	\$8,613
5233	Elec Exp/Pilarcitos Cyn	\$18,000	\$24,995	-\$6,995	-28.0%	\$19,184	-\$1,184	-6.2%	\$13,184
5234	Electrical Exp., Denn	\$90,100	\$120,000	-\$29,900	-24.9%	\$49,643	\$40,457	81.5%	\$19,653
Subtotal Pumping (Electrical)		\$457,452	\$334,605	\$122,847	36.7%	\$465,740	-\$8,288	-1.8%	\$340,687
Transmission & Distribution									
5235	Denn. WTP Oper.	\$30,000	\$27,000	\$3,000	11.1%	\$29,340	\$660	2.2%	\$24,840
5236	Denn WTP Maint	\$32,000	\$52,500	-\$20,500	-39.0%	\$23,975	\$8,025	33.5%	\$12,975
5240	Nunes WTP Oper	\$52,764	\$40,450	\$12,314	30.4%	\$68,088	-\$15,324	-22.5%	\$43,088
5241	Nunes WTP Maint	\$55,500	\$51,500	\$4,000	7.8%	\$35,783	\$19,717	55.1%	\$16,783
5242	CSP - Operation	\$8,500	\$8,500	\$0	0.0%	\$9,251	-\$751	-8.1%	\$6,751
5243	CSP - Maintenance	\$37,000	\$40,000	-\$3,000	-7.5%	\$30,137	\$6,863	22.8%	\$17,137
5250	Laboratory Expenses	\$40,000	\$40,000	\$0	0.0%	\$35,017	\$4,983	14.2%	\$21,517
5412	Maintenance Expenses	\$268,500	\$211,500	\$57,000	27.0%	\$217,456	\$51,044	23.5%	\$137,456
5415	Maintenance, Wells	\$40,000	\$10,000	\$30,000	300.0%	\$11,500	\$28,500	247.8%	\$4,500
Subtotal Trans & Distribution		\$564,264	\$481,450	\$82,814	17.2%	\$460,547	\$103,717	22.5%	\$285,047
Personnel									
5411	Salaries - Field	\$1,118,506	\$1,060,431	\$58,075	5.5%	\$1,096,407	\$22,099	2.0%	\$731,407
5610	Salaries, Admin.	\$1,061,780	\$809,262	\$252,518	31.2%	\$788,802	\$272,978	34.6%	\$452,802
5684	Payroll Taxes	\$153,056	\$135,168	\$17,888	13.2%	\$124,084	\$28,972	23.3%	\$83,084
5640	Employee Retirement	\$505,322	\$525,288	-\$19,966	-3.8%	\$534,047	-\$28,725	-5.4%	\$356,047
5635	Ee/Ret Medical Insurance	\$527,457	\$482,296	\$45,161	9.4%	\$428,676	\$98,781	23.0%	\$275,676
5645	SIP 401a Plan	\$30,000	\$30,000	\$0	0.0%	\$30,000	\$0	0.0%	\$0
Subtotal - Personnel		\$3,396,121	\$3,042,445	\$353,676	11.6%	\$3,002,017	\$394,104	13.1%	\$1,899,017
Other - Administrative and General									
5318	Studies/Surveys/Consulting	\$240,000	\$240,000	\$0	0.0%	\$97,612	\$142,388	145.9%	\$27,612
5321	Water Conservation	\$37,000	\$39,000	-\$2,000	-5.1%	\$37,378	-\$378	-1.0%	\$30,878
5322	Community Outreach	\$95,100	\$41,700	\$53,400	128.1%	\$33,692	\$61,408	182.3%	\$8,692
5327	Water Resources	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%	\$0
5414	Motor Vehicle Exp.	\$55,650	\$50,650	\$5,000	9.9%	\$50,661	\$4,989	9.8%	\$37,661
5620	Office Expenses	\$164,475	\$157,825	\$6,650	4.2%	\$155,122	\$9,353	6.0%	\$80,122
5621	Computer Services	\$103,800	\$91,800	\$12,000	13.1%	\$81,838	\$21,962	26.8%	\$45,838
5625	Meetings/Training/Seminars	\$24,000	\$23,000	\$1,000	4.3%	\$30,057	-\$6,057	-20.2%	\$22,557
5630	Insurance	\$115,000	\$115,000	\$0	0.0%	\$117,255	-\$2,255	-1.9%	\$65,255
5681	Legal	\$60,000	\$60,000	\$0	0.0%	\$55,600	\$4,401	7.9%	\$37,600
5682	Engineering	\$14,000	\$14,000	\$0	0.0%	\$5,480	\$8,520	155.5%	\$3,480
5683	Financial Services	\$24,000	\$24,000	\$0	0.0%	\$21,585	\$2,415	11.2%	\$16,585
5687	Memberships & Subscriptions	\$71,290	\$63,074	\$8,216	13.0%	\$64,809	\$6,481	10.0%	\$32,809
5688	Election Expense	\$25,000	\$0	\$25,000	0.0%	\$0	\$25,000	0.0%	\$0
5689	Union Expenses	\$6,000	\$6,000	\$0	0.0%	\$0	\$6,000	0.0%	\$0
5700	County Fees	\$17,700	\$17,700	\$0	0.0%	\$16,835	\$865	5.1%	\$16,835
5705	State Fees	\$16,000	\$16,000	\$0	0.0%	\$13,035	\$2,965	22.7%	\$8,035
Subtotal - Admin & General		\$1,069,015	\$959,749	\$109,266	11.4%	\$780,959	\$288,056	36.9%	\$433,959
Total Operating Expenses		\$8,358,799	\$7,264,502	\$1,094,297	13.1%	\$7,085,041	\$1,273,758	18.0%	\$4,350,824
CAPITAL ACCOUNTS									
5712	Existing Bonds - 2006B	\$485,889	\$485,889	\$0	0.0%	\$485,866	\$22	0.0%	\$350,866
5715	Existing Bond-CIEDB 11-099	\$338,024	\$338,024	\$0	0.0%	\$338,024	\$0	0.0%	\$338,024
Total Capital Accounts		\$823,913	\$823,913	\$0	0.0%	\$823,890	\$22	0.0%	\$688,890
TOTAL REVENUE LESS TOTAL EXPENSE		\$1,800,000	\$1,821,997	-\$21,997	-1.2%	\$1,610,262	\$189,738	11.8%	\$1,563,682
5713	Cont. to CIP & Reserves	\$1,800,000							

Notes:

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

Line Item **Amount**

Acct. No. 4120 Description: Water Sales

Actual Amount As Of: 28-Feb 2015 5,600,403

PROJECTED ACTIVITY to END of FY: 2,599,597

Projected YEAR END TOTAL: 8,200,000

PROPOSED Line Item Amount:	\$9,863,916 *
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	8,832,988
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% Change Actual Year End compared to Proposed Line item amount.	20.3%
% Change to Previous Year Budget	11.7%
Dollar difference between proposed budget & current budget	1,030,928

NARRATIVE: See Worksheet 4120 A for calculations

** Rate increase included for discussion purposes (ap. 27%)

* Assumes a _% Increase

Spread:

Jul	Aug	Sep	Oct	Nov	Dec	Totals
Jan	Feb	Mar	Apr	May	Jun	

FY 15/16 Water Sales Projection

Based on data from FY13, FY14, FY15 YTD

Sales Class	Description	FY13 Total MG	FY14 Total MG	13-14 Change MG	13-14 % Change	FY14 to 2/28 MG	FY15 to 2/28 MG	14-15 Change MG	14-15 % Change	FY15 Projected MG	Projected 15-16 Change	Projected 15-16 MG
01	Residential	380.1	379.6	-0.6	-0.2%	270.0	222.5	-47.5	-17.6%	331	-5%	314
02	Commercial	38.2	38.8	0.6	1.5%	27.8	24.9	-2.9	-10.4%	36	-5%	34
03	Restaurant	17.6	18.9	1.2	7.1%	13.3	13.0	-0.3	-2.2%	19	-3%	18
04	Hotel/Motel	29.8	32.5	2.6	8.8%	22.3	21.6	-0.6	-2.9%	32	-3%	31
05	Schools	13.5	13.4	-0.2	-1.1%	9.9	7.9	-2.0	-20.3%	11	-5%	10
06	Multiple Unit Dwellings	33.3	34.1	0.8	2.4%	23.9	20.0	-4.0	-16.5%	30	-5%	29
07	Beaches/Parks	4.4	5.6	1.2	26.4%	4.7	3.1	-1.6	-34.5%	4	-5%	4
08	Agriculture	70.8	73.2	2.4	3.3%	48.0	39.0	-9.0	-18.8%	63	-5%	60
09	Recreational	1.2	1.4	0.2	17.6%	0.9	1.4	0.5	52.6%	2	-5%	2
10	Marine	6.8	6.7	-0.1	-1.1%	5.2	5.0	-0.3	-4.8%	6	-5%	6
11	Irrigation	83.6	90.9	7.3	8.7%	63.3	55.5	-7.8	-12.3%	83	-5%	79
	Portable Meters	1.7	2.2	0.5	28.2%	1.4	1.7	0.2	15.2%	3	0%	3
TOTALS		681.2	697.2	15.9	2.3%	490.9	415.6	-75.3	-15.3%	620.0	-5%	590

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015-2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4170 Description: Hydrant Sales	
Actual Amount As Of: 28-Feb 2015	30,704
PROJECTED ACTIVITY to END of FY:	15,000
Projected YEAR END TOTAL:	45,704
PROPOSED Line Item Amount:	40,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	25,000
% Change Actual Year End compared to Proposed Line item amount.	(12.5%)
% Change to Previous Year Budget	60.0%
Dollar difference between proposed budget & current budget	15,000

NARRATIVE:

Water is taken from designated fire hydrants through portable meters for a variety of reasons. The most common use of this water is for new construction (dust control, earth compaction, etc.). Other uses of water through portable meters result in use for temporary irrigation, failed wells, temporary livestock watering, dust control for non construction purposes, festivals, etc. Water can only be supplied to areas within the District Boundary.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015-2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4180 Description: Late Penalty	
Actual Amount As Of: 28-Feb 2015	61,145
PROJECTED ACTIVITY to END of FY:	30,000
Projected YEAR END TOTAL:	91,145
PROPOSED Line Item Amount:	90,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	70,000
% Change Actual Year End compared to Proposed Line item amount.	(1.3%)
% Change to Previous Year Budget	100.0%
Dollar difference between proposed budget & current budget	20,000
NARRATIVE:	

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4230 Description: Service Connections	
Actual Amount As Of: 28-Feb 2015	7,254
PROJECTED ACTIVITY to END of FY:	3,600
Projected YEAR END TOTAL:	10,854
PROPOSED Line Item Amount:	10,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	8,000
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	(7.9%)
% Change to Previous Year Budget	25.0%
Dollar difference between proposed budget & current budget	2,000

NARRATIVE:

The amounts in the account show the labor cost charged to a customer for the installation of a new water service connection. The costs vary with each new installation depending upon the size of the service and how far it is from the distribution pipeline under the street. Cost of materials are not included in this category.

Labor	\$10,000
TOTAL	\$10,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4920 Description: Interest Earned	
Actual Amount As Of: 28-Feb 2015	1,798
PROJECTED ACTIVITY to END of FY:	600
Projected YEAR END TOTAL:	2,398
PROPOSED Line Item Amount:	\$ 2,550

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	2,544
% Change Actual Year End compared to Proposed Line item amount.	6.3%
% Change to Previous Year Budget	0.2%
Dollar difference between proposed budget & current budget	6

NARRATIVE:

Interest income is derived from cash on deposit with LAIF.

Cash on Deposit	Balance	Less CSP \$							
	1,020,082	0	1,020,082	x	0.25%	=	\$	2,550	

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4930 Description: Property Taxes	
Actual Amount As Of: 28-Feb 2015	431,952
PROJECTED ACTIVITY to END of FY:	210,000
Projected YEAR END TOTAL:	641,952
PROPOSED Line Item Amount:	600,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	600,000
% Change Actual Year End compared to Proposed Line item amount.	(6.5%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Projected CCWD portion of unsecured/secured Property Tax	\$600,000
TOTAL	\$600,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4950 Description: Miscellaneous	
Actual Amount As Of: 28-Feb 2015	17,805
PROJECTED ACTIVITY to END of FY:	9,000
Projected YEAR END TOTAL:	26,805
PROPOSED Line Item Amount:	37,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	37,000
% Change Actual Year End compared to Proposed Line item amount.	38.0%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Revenue from disposal of excess equipment, vehicles and reimbursement of expense line items, in addition to the identified sources, are entered into the Miscellaneous Sales account line item, such as: returned check fees, re-connect fees, copies of documents, reimbursement of repairs., etc...)

Skylawn Memorial Park reimburses the District for pumping when the District is not operating the Crystal Springs Pump Station for benefit of the District.

	FY 15/16
Skylawn	25,000
Miscellaneous	12,000
	<u>37,000</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4955 Description: Cell Site Lease Income	
Actual Amount As Of: 28-Feb 2015	96,059
PROJECTED ACTIVITY to END of FY:	48,000
Projected YEAR END TOTAL:	144,059
PROPOSED Line Item Amount:	139,245

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	134,880
% Change Actual Year End compared to Proposed Line item amount.	(3.3%)
% Change to Previous Year Budget	3.2%
Dollar difference between proposed budget & current budget	4,365

NARRATIVE:

Revenue from Cell Site Leasing

<u>Sub-Account</u>	<u>FY 15/16</u>
Sprint Spectrum Lease (Carter Hill)	28,312
Sprint Spectrum Lease (Alves Tank)	28,312
Metro PCS (Miramontes Tank)	27,331
Metro PCS (Miramar Tank)	27,331
Verizon (Nunes WTP)	27,959
	139,245

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 4965 Description: ERAF Refund	
Actual Amount As Of: 28-Feb 2015	0
PROJECTED ACTIVITY to END of FY:	356,277
Projected YEAR END TOTAL:	356,277
PROPOSED Line Item Amount:	200,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	200,000
% Change Actual Year End compared to Proposed Line item amount.	(43.9%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Educational Revenue Augmentation Fund (ERAF). ERAF was established in 1992 to redirect property tax revenues from cities, counties and special districts to public education programs. Once the school districts & programs are paid the maximum allowable under law, the law requires the excess to be refunded to the local taxing jurisdiction that contributed to ERAF.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5130 Description: Water Purchased	
Actual Amount As Of: 28-Feb 2015	1,392,114
PROJECTED ACTIVITY to END of FY:	983,664
Projected YEAR END TOTAL:	2,375,778
PROPOSED Line Item Amount:	2,871,947

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	2,446,253
% Change Actual Year End compared to Proposed Line item amount.	20.9%
% Change to Previous Year Budget	17.4%
Dollar difference between proposed budget & current budget:	425,694

NARRATIVE:

See worksheet 5130 A

The information on this sheet relates directly to Account 4120, water sales.

- San Francisco Wholesale rates: Cost per hcf \$3.52 (\$3.85 less \$.33)
- BAWSCA Bond Surcharge (\$343,955 Annual)

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

PRODUCTION & PUMPING SCHEDULE FY 2015/2016

	Denniston Surface		Denniston Wells		Pilarcitos Wells		SFWD Pilarcitos-Crystal Springs Pilarcitos CSP				SFWD Total		TOTAL PRODUCTION		SFWD COST
	FY 14/15	FY 15/16	FY 14/15	FY 15/16	FY 14/15	FY 15/16	FY 14/15	FY 15/16	FY 14/15	FY 15/16	FY 14/15	FY 15/16	FY 14/15	FY 15/16	**3.38/hcf
	hcf	hcf	hcf	hcf	hcf	hcf	hcf	hcf	hcf	hcf	hcf	hcf	Actual hcf	Plan	Plan
JUL	3,102	3,100	642	0	0	0	0	0	96,203	84,147	96,203	84,147	99,947	87,247	\$284,417
AUG	1,096	0	134	0	0	0	0	0	98,890	87,728	98,890	87,728	100,120	87,728	\$296,521
SEP	802	0	67	0	0	0	0	0	79,652	70,720	79,652	70,720	80,521	70,720	\$239,034
OCT	0	0	0	0	0	0	0	0	76,377	68,034	76,377	68,034	76,377	68,034	\$229,955
NOV	1,243	1,300	13	13	5,922	6,600	0	0	54,813	47,445	54,813	47,445	61,991	55,358	\$160,364
DEC	2,928	5,000	267	270	14,425	12,000	12,941	12,262	21,885	19,694	34,826	31,956	52,446	49,226	\$108,011
JAN	18,650	11,000	856	800	11,283	12,000	27,045	49,049	14,064	0	41,109	49,049	71,898	72,849	\$165,786
FEB	17,219	11,000	682	800	11,444	12,000	34,693	28,298	3,249	0	37,942	28,298	67,287	52,098	\$95,647
MAR	11,000	11,000	800	800	11,000	12,000	42,000	39,617	0	0	42,000	39,617	64,800	63,417	\$133,905
APR	9,000	9,000	400	800	0	0	60,600	37,730	0	17,904	60,600	55,634	70,000	65,434	\$188,043
MAY	5,000	5,000	400	800	0	0	0	0	90,000	82,970	90,000	82,970	95,400	88,770	\$280,439
JUN	3,000	5,000	400	800	0	0	0	0	90,000	78,251	90,000	78,251	93,400	84,051	\$264,486
hcf Totals	73,040	61,400	4,661	5,083	54,074	54,600	177,279	166,956	625,133	556,893	802,412	723,849	934,187	844,932	\$2,446,608
MG Totals	54.63	45.93	3.49	3.80	40.45	40.84	132.60	124.88	467.60	416.56	600.20	541.44	698.77	632.01	

Base Charge **\$81,384**
 BAWSCA Bond Surcharge **\$343,955**
 Grand Tot: **\$2,871,947**

Note: Bold numbers in actual columns are estimates

Expect 60,067 hcf of estimated unmetered water (leaks, plant use, flow tests, etc...) for FY 15/16

6.6% unaccountable water

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5230 Description: Electrical Exp. Nunes WTP	
Actual Amount As Of: 28-Feb 2015	19,670
PROJECTED ACTIVITY to END of FY:	10,000
Projected YEAR END TOTAL:	29,670
PROPOSED Line Item Amount:	29,500

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	<u>25,000</u>
% Change Actual Year End compared to Proposed Line item amount.	(0.6%)
% Change to Previous Year Budget	18.0%
Dollar difference between proposed budget & current budget	4,500

NARRATIVE:

The costs shown for this line item are for electrical costs for operating the water treatment plant.

FY15/16

PG&E \$29,500

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5231 Description: Electrical Expenses, CSP	
Actual Amount As Of: 28-Feb 2015	279,567
PROJECTED ACTIVITY to END of FY:	75,063
Projected YEAR END TOTAL:	354,630
PROPOSED Line Item Amount:	307,052

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	150,910
% Change Actual Year End compared to Proposed Line item amount.	(13.4%)
% Change to Previous Year Budget	103.5%
Dollar difference between proposed budget & current budget	156,142

NARRATIVE:

Skylawn is estimated to purchase 7.5 million gallons when we are not running Crystal Springs.

	hcf	rate to pump 1 unit of water			
Pumping charges - electrical	556,893	0.524	=	\$	291,812
Non-pumping electrical				\$	10,000
Skylawn Pumping Expenses	10,000	0.524	=	\$	5,240
TOTAL				\$	307,052

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5232 Description: Electrical Expenses/Trans. & Dist.	
Actual Amount As Of: 28-Feb 2015	8,613
PROJECTED ACTIVITY to END of FY:	4,000
Projected YEAR END TOTAL:	12,613
PROPOSED Line Item Amount:	12,800

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	13,700
% Change Actual Year End compared to Proposed Line item amount.	1.5%
% Change to Previous Year Budget	(6.6%)
Dollar difference between proposed budget & current budget	-900

NARRATIVE:

	FY 15/16
Granada #1	\$3,450
Granada #2	\$3,050
Granada #3	\$1,500
Alves Pump Station	\$4,600
Miramontes Tank	\$200
TOTAL	\$12,800

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5233 Description: Elec Exp/Pilarcitos Cyn	
Actual Amount As Of: 28-Feb 2015	13,184
PROJECTED ACTIVITY to END of FY:	6,000
Projected YEAR END TOTAL:	19,184
PROPOSED Line Item Amount:	18,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	24,995
% Change Actual Year End compared to Proposed Line item amount.	(6.2%)
% Change to Previous Year Budget	(28.0%)
Dollar difference between proposed budget & current budget	-6,995

NARRATIVE:

Assumes sufficient rain in October to pump Pilarcitos Wells in November.

Assumes 28,500 units of production, at an energy cost of \$0.79 per unit plus \$1800 base

Wells #1 & 3	\$ 2,500	Well #4	\$ 2,100
Well #2	\$ 300	Well #4A	\$ 7,000
Well #3A	\$ 400	Well #5	\$ 4,000
Carter Hill	\$ 400	Telemeter	\$ 300
TOTAL		Blending Station	\$ 1,000
		Total	\$ 18,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5234 Description: Electrical Exp., Denn	
Actual Amount As Of: 28-Feb 2015	19,643
PROJECTED ACTIVITY to END of FY:	30,000
Projected YEAR END TOTAL:	49,643
PROPOSED Line Item Amount:	90,100

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	120,000
% Change Actual Year End compared to Proposed Line item amount.	81.5%
% Change to Previous Year Budget	(24.9%)
Dollar difference between proposed budget & current budget	-29,900

NARRATIVE:

	FY 15/16
Denn Pump Station	\$69,000
Denn Well #1	\$1,000
Denn Well #2,3,4	\$500
Denn Well #5	\$600
Denn Well #9	\$5,000
Denn WTP	\$10,000
WWR System	\$4,000
TOTAL	<u><u>\$90,100</u></u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5235 Description: Denn. WTP Oper.	
Actual Amount As Of: 28-Feb 2015	24,840
PROJECTED ACTIVITY to END of FY:	4,500
Projected YEAR END TOTAL:	29,340
PROPOSED Line Item Amount:	30,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	27,000
% Change Actual Year End compared to Proposed Line item amount.	2.2%
% Change to Previous Year Budget	11.1%
Dollar difference between proposed budget & current budget	3,000

NARRATIVE:

Assume production of 125 MG

ADMIN		CHEMICALS	
Telephone/DSL	\$2,000	Caustic	\$8,000
Alarm System	\$2,000	Polymers	\$3,900
		N-17	\$6,700
Subtotal	\$4,000	Salt	\$1,700
		Pot. Perm	\$2,200
		Lab Reagents	\$3,500
		Subtotal	\$26,000
		Total	\$30,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5236 Description: Denn WTP Maint	
Actual Amount As Of: 28-Feb 2015	12,975
PROJECTED ACTIVITY to END of FY:	11,000
Projected YEAR END TOTAL:	23,975

PROPOSED Line Item Amount:	32,000
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	52,500
% Change Actual Year End compared to Proposed Line item amount.	33.5%
% Change to Previous Year Budget	(39.0%)
Dollar difference between proposed budget & current budget	-20,500

NARRATIVE:

	FY 15/16
Misc. Expenses / Office Supplies	\$ 2,000
Telemetry	\$ 2,000
Misc. Plumbing & Parts	\$ 4,000
Sludge Removal	\$ 6,000
Annual PM	\$ 3,000
Inst. Controls	\$ 10,000
Office Lab	\$ 4,000
CCTV	\$ 1,000
TOTAL	\$ 32,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5240 Description: Nunes WTP Oper	
Actual Amount As Of: 28-Feb 2015	43,088
PROJECTED ACTIVITY to END of FY:	25,000
Projected YEAR END TOTAL:	68,088
PROPOSED Line Item Amount:	52,764

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	40,450
% Change Actual Year End compared to Proposed Line item amount.	(22.5%)
% Change to Previous Year Budget	30.4%
Dollar difference between proposed budget & current budget	12,314

NARRATIVE:

Chemical costs = \$125/MG.
Expect to treat 590 MG.

Telephone/DSL	\$2,000	Chemicals	
Alarm System	\$1,000	Caustic	\$20,000
Sub total	\$3,000	Polymer	\$1,900
		Alum	\$20,864
		Salt	\$7,000
		Sub Total	\$49,764
		TOTAL	\$52,764

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5241 Description: Nunes WTP Maint	
Actual Amount As Of: 28-Feb 2015	16,783
PROJECTED ACTIVITY to END of FY:	19,000
Projected YEAR END TOTAL:	35,783
PROPOSED Line Item Amount:	55,500

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	51,500
% Change Actual Year End compared to Proposed Line item amount.	55.1%
% Change to Previous Year Budget	7.8%
Dollar difference between proposed budget & current budget	4,000

NARRATIVE:

No change in maintenance costs expected.

Increase in Misc. Expenses to include misc. office expenses.
FY 15/16

Generator Service Contract	\$1,000
Sludge Removal	\$7,500
Electrical	\$5,000
Instrumentation/Controls	\$8,000
Motor & Pump Replacement	\$2,500
Filter Inspection	\$7,500
Backwash Pump Service	\$5,000
Annual Electrical PM	\$5,000
Trees / Landscape	\$7,000
Misc. Expenses / Office Supplies	\$7,000
	<u>\$55,500</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5242 Description: CSP - Operation	
Actual Amount As Of: 28-Feb 2015	6,751
PROJECTED ACTIVITY to END of FY:	2,500
Projected YEAR END TOTAL:	9,251
PROPOSED Line Item Amount:	8,500

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	8,500
% Change Actual Year End compared to Proposed Line item amount.	(8.1%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

FY 15/16

Telephone & Telemetry	\$6,300
Alarm Co. (Bay Alarm / HMB Alarm)	\$1,200
Fire System Maint.	<u>\$1,000</u>
TOTAL	<u><u>\$8,500</u></u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5243 Description: CSP - Maintenance	
Actual Amount As Of: 28-Feb 2015	17,137
PROJECTED ACTIVITY to END of FY:	13,000
Projected YEAR END TOTAL:	30,137
PROPOSED Line Item Amount:	37,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	40,000
% Change Actual Year End compared to Proposed Line item amount.	22.8%
% Change to Previous Year Budget	(7.5%)
Dollar difference between proposed budget & current budget	-3,000

NARRATIVE:

	FY 15/16
Electrical Testing (ETI)	\$4,000
Electrical Repair	\$6,000
Equipment /Valve Maintenance	\$11,000
Pressure Reducing Valves	\$1,000
Misc. Equip/Air Vent	\$1,000
Telemetry & Alarms	\$4,000
Pump Maintenance	\$10,000
	\$37,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5250 Description: Laboratory Expenses	
Actual Amount As Of: 28-Feb 2015	21,517
PROJECTED ACTIVITY to END of FY:	13,500
Projected YEAR END TOTAL:	35,017
PROPOSED Line Item Amount:	40,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	40,000
% Change Actual Year End compared to Proposed Line item amount.	14.2%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Laboratory Costs associated with water sampling throughout distribution system, source waters and Treatment Plants.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5318 Description: Studies/Surveys/Consulting	
Actual Amount As Of: 28-Feb 2015	27,612
PROJECTED ACTIVITY to END of FY:	70,000
Projected YEAR END TOTAL:	97,612
PROPOSED Line Item Amount:	\$240,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	240,000
% Change Actual Year End compared to Proposed Line item amount.	145.9%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

Narrative: Increase due to Drought Contingency Planning. Reflects deferral of spend from FY2014-2015. Urban Management Plan is required every 5 years.

Water Shortage Contingency Plan	\$75,000.00
Water Audit (M36)	\$70,000.00
Misc. Studies/Surveys	\$10,000.00
Maddaus Water Management	\$10,000.00
Urban Water Management Plan	\$75,000.00
	<u>\$240,000.00</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5321 Description: Water Conservation	
Actual Amount As Of: 28-Feb 2015	30,878
PROJECTED ACTIVITY to END of FY:	6,500
Projected YEAR END TOTAL:	37,378
PROPOSED Line Item Amount:	37,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	39,000
% Change Actual Year End compared to Proposed Line item amount.	(1.0%)
% Change to Previous Year Budget	(5.1%)
Dollar difference between proposed budget & current budget	-2,000

NARRATIVE:

|

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

Budget Worksheet	
Fiscal Year 2015-2016	FY 2016
Worksheet 5321 – Water Resources	5321
Description	
Water Use Efficiency (Conservation)	
Foundational Best Management Practices	
1.0 Utility Operations Programs	
Subtotal	\$0
2.0 Education Programs	
2.1 Public Information Programs (Outreach Program)	
Subtotal	\$15,000
2.2 School Education Programs	
Subtotal	\$5,000
Programmatic Best Management Practices	
3.0 Residential	
3.1 High Efficiency Fixture Devices	
Subtotal	\$3,000
3.2 High Efficiency Toilet Rebates	
Subtotal	\$8,000
3.3 High Efficiency Clothes Washer Rebates	
Subtotal	\$0
4.0 Commercial, Industrial and Institutional	
Subtotal	\$1,000
5.0 Landscape (Large)	
Subtotal	\$0
Flex Track Best Management Practices	
Lawn Be Gone! Rebate Program	
Subtotal	\$5,000
GPCD Compliance (CUWCC/SBx7)	
Subtotal	\$0
Water Resources	
Pilarcitos IWMP	
	\$0
2015 UWMP	
Plan Preparation and Submittal	
DSS Projections - Maddaus Water Mangement	
	Funded in other account
Water Shortage Contingency Plan Update for 2015	
	Funded in other account
Total	\$37,000

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5322 Description: Community Outreach	
Actual Amount As Of: 28-Feb 2015	8,692
PROJECTED ACTIVITY to END of FY:	25,000
Projected YEAR END TOTAL:	33,692
PROPOSED Line Item Amount:	95,100

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	41,700
% Change Actual Year End compared to Proposed Line item amount.	182.3%
% Change to Previous Year Budget	128.1%
Dollar difference between proposed budget & current budget	53,400

NARRATIVE:

Created new account per Finance Committee to accommodate new community outreach between CCWD and Customers. Increase due to additional printing of annual reports and postage.

Pacifica Coast Television - Recording meetings(14 @ \$250)	\$3,500
Montara Fog (14 @ \$300)	\$4,200
Materials/Publications/Public Information	\$5,000
Postage for Public Outreach	\$6,000
Printing Annual Reports (Consumer Confidence Report/ Water Supply Evaluation, etc..)	\$23,000
Constant Contact/Email	\$900
Graphic Artist	\$2,500
Public Outreach (moved from 5327 - communication of new state regulations, direct mailings, fact sheets, HMB review ads, etc.)	\$50,000

Spread: TOTAL **95,100**

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Note: Items have been moved to corresponding expense accounts and CIP

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5327 Description: Water Resources	
Actual Amount As Of: 28-Feb 2015	0
PROJECTED ACTIVITY to END of FY:	0
Projected YEAR END TOTAL:	0

PROPOSED Line Item Amount:	0
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	0
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% Change Actual Year End compared to Proposed Line item amount.

% Change to Previous Year Budget

Dollar difference between proposed budget & current budget	0
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NARRATIVE:

- (1) Additional Employee Dedicated to Enforcement and Outreach
(given new state regulations for enforcement and reporting)
- (1) Additional Employee - Meter Reading (to start transition to monthly reads)
- Overtime - After Hours Enforcement
- (2) Vehicles (CIP)
- (2) Workstations (CIP)
- Mobile Phones
- Public Outreach (communications of new state regulations)

0

Items have been moved to specific expense accounts and CIP

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5411 Description: Salaries - Field	
Actual Amount As Of: 28-Feb 2015	731,407
PROJECTED ACTIVITY to END of FY:	365,000
Projected YEAR END TOTAL:	1,096,407
PROPOSED Line Item Amount:	1,118,506

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	1,060,431
% Change Actual Year End compared to Proposed Line item amount.	2.0%
% Change to Previous Year Budget	5.5%
Dollar difference between proposed budget & current budget	58,075

NARRATIVE:

A COLA of 3.5% was used as a place holder based upon the Department of Labor Statistics information for February to February 2015

Admin Budget includes (2) additional positions

- 1) Office Specialist II - for Water Conservation and Outreach given new state regulations
 - 2) Office Specialist II - Meter Reader - plan is transition to monthly billing given new state regulations
- Plan also includes additional funding for overtime for after hours enforcement activity

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT
 2/28/2015
FY 2015/2016 BUDGET WORKSHEET (5411 A)
SALARY INFORMATION - Accounts 5411 & 5610

EMPLOYEE	Current Hrly Rate	COLA 3.50%	Annual Pay	O T Hours	O T Pay	Admin Leave	Cert. Pay	TOTAL
FIELD #5411								
Superintendent	63.81	66.05	137,376				10,800	148,176
Field Supervisor	51.09	52.88	109,981	80	6,345	6,345	7,200	129,871
WTP Supervisor	53.69	55.57	115,578	120	10,002		7,200	132,780
Sr. WTP Oper.	40.91	42.34	88,076	120	7,622		6,000	101,698
Treat/Dist Op	32.75	33.90	70,504	120	6,101		4,800	81,406
Treat/Dist Op	31.18	32.27	67,114	120	5,808		4,800	77,721
Treat/Dist Op	31.96	33.08	68,809	120	5,955		6,000	80,763
Treat/Dist Op	35.28	36.51	75,940	120	6,572		7,200	89,712
Treat/Dist Op	32.75	33.90	70,504	120	6,101		4,800	81,406
Treat/Dist Op	28.95	29.96	62,324	120	5,393		4,800	72,517
Maint Worker	29.71	30.75	63,965	80	3,690		4,800	72,455
Part-Time Help	15.00		15,000					15,000
Part-Time Help	15.00		15,000					15,000
Standby Pay for On-Call Employees			20,000					20,000
Sub total, Field			980,171		63,590	6,345	68,400	1,118,506
ADMIN #5610								
Gen Manager	97.53	100.94	209,952			12,113	6,000	228,064
Asst. General Manager of Finance/Admin	76.93	79.62	165,604			9,554		175,158
Water Conser.	43.66	45.19	93,991	50	3,389		1,200	98,580
Prj Coord. PT	60.00		15,000					15,000
Office Mgr	42.95	44.45	92,463	50	3,334			95,797
Admin Assist.	38.94	40.30	83,825	50	3,023		6,946	93,793
Office Speclst	29.71	30.75	63,965		-			63,965
Office Speclst	27.59	28.55	59,390		-			59,390
Office Speclst	29.71	30.75	63,965		-			63,965
Office Speclst II (Water Cons/Outreach)	29.71	30.75	63,960	120	5,535			69,495
Office Speclst II (Meter Reading)	29.71	30.75	63,960	100	4,612			68,572
Part-Time Help	15.00		15,000					15,000
Directors			15,000					15,000
Sub total, Admin			1,006,075		19,893	21,667	14,146	\$1,061,780
TOTAL			1,986,246					\$2,180,286

Admin Budget includes (2) additional positions
 1) Office Specialist II - for Water Conservation and Outreach due to new state regulations
 2) Office Specialist II - Meter Reader - plan is transition to monthly billing given new state regulations
 Plan also includes additional funding for overtime for after hours enforcement activity

Admin Budget also includes \$10000 market adjustment for Water Conservation Analyst.

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5412 Description: Maintenance Expenses	
Actual Amount As Of: 28-Feb 2015	137,456
PROJECTED ACTIVITY to END of FY:	80,000
Projected YEAR END TOTAL:	217,456
PROPOSED Line Item Amount:	268,500

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	211,500
% Change Actual Year End compared to Proposed Line item amount.	23.5%
% Change to Previous Year Budget	27.0%
Dollar difference between proposed budget & current budget	57,000

NARRATIVE:

Laundry	\$1,200	Equipment Rental	\$2,000
Supplies Shop/Breakroom	\$1,000	Radio Repair/PM	\$3,000
Service Products	\$3,000	Landscape Maint	\$2,500
Pump Repair	\$5,000	Cathodic Protection	\$8,000
USA	\$500	Misc. tools, etc.	\$5,000
Backfill	\$5,000	(Welder, Drill, Airtools, Sump Pump, Lrg tools)	
Hydrant Repair	\$1,300	Waste Services	\$3,000
Tank Maintenance	\$5,000	Fence Repairs	\$2,000
Generator services	\$4,500	Raising Valve (City/County)	\$20,000
Safety Supplies	\$3,500	Building Maintenance	\$10,000
DMV/Pre-employment Physical	\$1,000	Uniforms/Jackets/Shoes	\$10,000
Tree Removal	\$20,000	Paving	\$100,000
Inventory	\$11,000	ML Repairs/Sml Line Replcmnt	\$35,000
Materials	\$6,000		
		TOTAL	\$268,500

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5414 Description: Motor Vehicle Exp.	
Actual Amount As Of: 28-Feb 2015	37,661
PROJECTED ACTIVITY to END of FY:	13,000
Projected YEAR END TOTAL:	50,661
PROPOSED Line Item Amount:	55,650

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	50,650
% Change Actual Year End compared to Proposed Line item amount.	9.8%
% Change to Previous Year Budget	9.9%
Dollar difference between proposed budget & current budget	5,000

NARRATIVE:

	<u>FY15/16</u>
Gasoline	\$31,000.00
FastTrak	\$150.00
Mobile Phones*	\$12,500.00
Service & Repairs	\$12,000.00
	<u>\$55,650.00</u>
Total	

* Includes \$5000 for employee adds - Public outreach and Meter Reading

Jul	Aug	Sept	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5415 Description: Maintenance, Wells	
Actual Amount As Of: 28-Feb 2015	4,500
PROJECTED ACTIVITY to END of FY:	7,000
Projected YEAR END TOTAL:	11,500

PROPOSED Line Item Amount:	40,000
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	10,000
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	247.8%
% Change to Previous Year Budget	300.0%
Dollar difference between proposed budget & current budget	30,000

NARRATIVE:

FY 15/16 amounts same from past year due to not being able to rehabilitate wells and complete upgrades

	<u>FY 15/16</u>
Electrical PM	\$2,000
Pumps	\$5,000
Electrical	\$2,800
Plumbing	\$200
Rehabilitation (1 well)	\$30,000
	<hr/>
	<u>\$40,000</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5610 Description: Salaries, Admin.	
Actual Amount As Of: 28-Feb 2015	452,802
PROJECTED ACTIVITY to END of FY:	336,000
Projected YEAR END TOTAL:	788,802
PROPOSED Line Item Amount:	1,061,780

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	809,262
% Change Actual Year End compared to Proposed Line item amount.	34.6%
% Change to Previous Year Budget	31.2%
Dollar difference between proposed budget & current budget	252,518

NARRATIVE:

Admin Salaries include:

- * (1) additional position - Water Conservation Assistant (moved from 5327 line item.) Position is required due to additional reporting and enforcement resulting from new state regulations.
- * (1) additional position - Meter Reader (moved from 5327 line item.) Position is required in order to start transition to monthly billing.
- * \$10,000 additional overtime (moved from 5327 line item.) Increased overtime will be required for after hours enforcement activity.
- * \$10,000 market adjustment for Water Conservation Analyst.
- * Other increases due to timing of addition of Assistant General Manager of Finance/Administration. (FY2015-16 will reflect a full year vs. partial year in FY2014-15.)
- * A COLA of 3.5% was used as a place holder based upon the Department of Labor Statistics information for February to February timeframe.

(See Spreadsheet of Account #5411A for Admin and Board of Directors Salaries)

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5620 Description: Office Expenses	
Actual Amount As Of: 28-Feb 2015	80,122
PROJECTED ACTIVITY to END of FY:	75,000
Projected YEAR END TOTAL:	155,122
PROPOSED Line Item Amount:	164,475

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	157,825
% Change Actual Year End compared to Proposed Line item amount.	6.0%
% Change to Previous Year Budget	4.2%
Dollar difference between proposed budget & current budget	6,650

NARRATIVE:

See Sheet 5620 A which details the cost items comprising this line item

Increase due to:

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

Account 5620 - Detail of Account

Account Name	Description	Amount
Postage	Mail Machine	\$ 6,000
	Bulk Mailing	\$ 6,000
	Pre-Stamped Envelopes	\$ 3,000
Phone Services PG&E	Monthly Service & Repairs	\$ 6,000
	Monthly Service (District Office)	\$ 8,000
Office Cleaning	Janitorial Service/Carpet Cleaning	\$ 9,000
File Storage	Iron Mountain - Offsite Storage	\$ 6,000
	Iron Mountain - Shredding Service	\$ 300
Leases	Mail & Copier Machines	\$ 13,000
	Office Alarms and Security Camera	\$ 5,000
Printing	Checks, Forms, Statements	\$ 1,000
CSG Systems, Inc.	Fulfillment Center for Billing Stmtnts	\$ 30,000
	NetBill (Online Payments)	\$ 6,500
Emergency	Supplies	\$ 1,000
	AED Certification	\$ 125
Miscellaneous	Office Supplies	\$ 8,000
	Credit Card / Bank Fees	\$ 15,000
	Pre-Employment Physicals	\$ 500
	Employee Recognition Program	\$ 2,000
	Petty Cash	\$ 2,500
	Director recognition/framing	\$ 300
	ORCC LockBox Services	\$ 750
	Allowance for Bad Debt	\$ 6,000
Maintenance	Office Equipment/Repairs	\$ 5,000
	Office Building	\$ 15,000
Payroll	Payroll Processing with ADP	\$ 8,500
TOTAL		\$ 164,475

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5621 Description: Computer Services	
Actual Amount As Of: 28-Feb 2015	45,838
PROJECTED ACTIVITY to END of FY:	36,000
Projected YEAR END TOTAL:	81,838
PROPOSED Line Item Amount:	103,800

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	91,800
% Change Actual Year End compared to Proposed Line item amount.	26.8%
% Change to previous year budget:	13.1%
Dollar difference between proposed budget & current budget	12,000
Increase in Springbrook Maintenance & Website Maintenance and addition of Comcast Internet	
NARRATIVE:	

Maintenance Agreements		Computer Services	
Springbrook	\$12,000		
Radix	\$3,000	New/Upgrades to software/Cust Rpts	\$7,500
Irvine Consulting Srvc	\$24,000	Service/Repairs/Parts	\$15,000
Badger	\$1,500	Coastside Net	\$1,000
XC2 Software	\$2,600	Rogue Web Works (Website Maint.)	\$7,500
Remit Plus/Ck Scanner)	\$2,000	Sonic.net	\$1,500
GIS License	\$5,000	Spam Filtering	\$900
Web Filtering (Barracuda)	\$1,400	Comcast Internet	\$1,700
Sprbrk Server License	\$700	CalCAD Annual Application Maint.	\$2,500
TelePacific Phone Sys	\$14,000	Subtotal	\$37,600
Subtotal	\$66,200	Grand Total	\$103,800

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5625 Description: Meetings/Training/Seminars	
Actual Amount As Of: 28-Feb 2015	22,557
PROJECTED ACTIVITY to END of FY:	7,500
Projected YEAR END TOTAL:	30,057
PROPOSED Line Item Amount:	24,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	23,000
% Change Actual Year End compared to Proposed Line item amount.	(20.2%)
% Change to Previous Year Budget	4.3%
Dollar difference between proposed budget & current budget	1,000

NARRATIVE:

	<u>Amount</u>
Conferences (District Employees)	\$ 5,000
Conferences/Seminars (Board of Directors)	\$ 3,000
Staff Training/Seminars/Continuing Education	\$ 4,000
Safety Training (CINTAS)	\$ 7,000
WTO/WDO Renewal/Application Fees	\$ 2,000
Water Resource Meetings, Training, Seminars	\$ 3,000
TOTAL	<u>\$ 24,000</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5630 Description: Insurance	
Actual Amount As Of: 28-Feb 2015	65,255
PROJECTED ACTIVITY to END of FY:	52,000
Projected YEAR END TOTAL:	117,255
PROPOSED Line Item Amount:	115,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	115,000
% Change Actual Year End compared to Proposed Line item amount.	(1.9%)
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:	FY 15/16
Auto/General Liability	\$55,000
Property Program	\$20,000
Workers Compensation	\$40,000
TOTAL	\$115,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5635	Description: Ee/Ret Medical Insurance
Actual Amount As Of: 28-Feb 2015	275,676
PROJECTED ACTIVITY to END of FY:	153,000
Projected YEAR END TOTAL:	428,676
PROPOSED Line Item Amount:	527,457

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	482,296
% Change Actual Year End compared to Proposed Line item amount.	23.0%
% Change to Previous Year Budget	9.4%
Dollar difference between proposed budget & current budget	45,161

NARRATIVE: Employee and Retiree Medical Insurance

<u>Active Employees:</u>	FY 15/16
Medical	364,594
Dental	18,270
Vision	4,961
Life/AD&D	12,370
LTD	21,028
EAP	557
(2) Addl employees*	50,000
	471,780 Subtotal

(for new hires - Office Specialist-Water Conservation, Office Specialist-Meter Reader)

<u>Retirees:</u>	
Medical	54,372
Dental	0
Vision	1,305
	55,677 Subtotal

527,457 Total

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

ACCOUNT No. 5635 / Insurance Benefits for Active Employees and Retirees - Current Year 2015/2016

ACTIVE EMPLOYEES

	Kaiser	Blue Cross	Dental	Vision	Life/AD&D	LTD	EAP	
July-14	10,473	15,188	1,392	384	767	1,501	46	
August-14	10,473	15,188	1,392	384	767	1,595	46	
September-14	10,473	15,188	1,432	384	774	1,532	46	
October-14	10,473	15,188	1,432	384	774	1,532	46	
November-14	10,473	15,188	1,432	384	774	1,532	46	
December-14	11,277	14,925	1,362	384	774	1,532	46	
January-15	11,277	14,925	1,362	384	774	1,532	46	
February-15	11,277	14,925	1,421	384	774	1,532	46	
March-15	11,277	14,925	1,421	384	774	1,600	46	
April-15	11,277	16,438	1,493	405	859	1,718	46	
May-15	11,277	16,438	1,493	405	859	1,718	46	
June-15	11,277	16,438	1,493	405	859	1,718	46	
	131,304	184,953	17,124	4,670	9,531	19,043	546	Subtotal of column
	135,324	197,251	17,912	4,864	10,308	20,616	546	Subtotal (June Rate x 12/mo)
	12%	8%	2%	2%	20%	2%	2%	% Increase
	151,563	213,031	18,270	4,961	12,370	21,028	557	TOTAL
	364,594							

RETIREES/COBRA

	Kaiser	Blue Cross	Dental	Vision	
July-14	1,676	4,936	370	107	
August-14	1,676	4,936	370	107	
September-14	1,676	4,734	370	107	
October-14	1,676	4,734	370	107	
November-14	1,676	4,734	370	107	
December-14	1,708	5,455	370	107	
January-15	1,708	4,143	318	107	
February-15	1,708	4,143	318	107	
March-15	1,708	4,143	318	107	
April-15	1,708	4,143	318	107	
May-15	1,708	4,143	318	107	
June-15	1,708	4,143	318	107	
		(20,626)	(3,815)		Reimbursement from Retirees
	20,336	33,759	312	1,279	Subtotal
	20,496	29,090	-	1,279	Subtotal (June Rate x 12/mo - less Reimbursement)
	12%	8%	2%	2%	% Increase
	22,956	31,417	-	1,305	TOTAL
	54,372				

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5640 Description: Employee Retirement	
Actual Amount As Of: 28-Feb 2015	356,047
PROJECTED ACTIVITY to END of FY:	178,000
Projected YEAR END TOTAL:	534,047
PROPOSED Line Item Amount:	505,322

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	525,288
% Change Actual Year End compared to Proposed Line item amount.	(5.4%)
% Change to Previous Year Budget	(3.8%)

Dollar difference between proposed budget & current budget **-19,966**

NARRATIVE:

This line item is a function of salaries and will be determined when salaries and employee complement is set by the Board

2.5% @ 55 Employer Rate decreased from 26.601% (FY 14/15) to 10.612% (FY 15/16). In addition, the amount \$277,774 will be added to cover unfunded liability and side fund instead of the prior method of a contribution rate. Employer Paid Member Contribution 8% (Ee paid 6% - Er paid 2%)
2% @ 60 Employer Rate decreased from 8.715% (FY 14/15) to 7.510% (FY 15/16) Employer Paid Member Contribution 7% (Ee paid 6% - Er paid 1%)
2% @ 62 - Effective January 1, 2013 (PERS Pension Reform Act 2013) Employer Rate 6.7% / Employee Rate 6.5% No Employer Paid Member Contribution

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5645 Description: SIP 401a Plan	
Actual Amount As Of: 28-Feb 2015	0
PROJECTED ACTIVITY to END of FY:	30,000
Projected YEAR END TOTAL:	30,000
PROPOSED Line Item Amount:	30,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	30,000
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	0.0%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Supplemental Income Trust Fund / AIP 401a Plan base on the Memorandum of Understanding between CCWD and the Teamsters Union, Local 856

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT
DRAFT
 Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5681 Description: Legal	
Actual Amount As Of: 28-Feb 2015	37,600
PROJECTED ACTIVITY to END of FY:	18,000
Projected YEAR END TOTAL:	55,600

PROPOSED Line Item Amount:	60,000
-----------------------------------	---------------

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	60,000
<hr/>	
% Change Actual Year End compared to Proposed Line item amount.	7.9%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

This account is for the Legal Counsel General District business that is not included in capital projects or reimbursable projects. The legal costs for capital projects and reimbursable projects whether the work is performed by District Counsel or other counsel is part of the overall project and not an operating expense.

HansonBridgett	\$60,000
Total	<u>\$60,000</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5682 Description: Engineering	
Actual Amount As Of: 28-Feb 2015	3,480
PROJECTED ACTIVITY to END of FY:	2,000
Projected YEAR END TOTAL:	5,480
PROPOSED Line Item Amount:	14,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	14,000
% Change Actual Year End compared to Proposed Line item amount.	155.5%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

This account is for the District Engineer's monthly retainer and for general District business that is not included in capital projects or reimbursable projects. The engineering costs for capital projects and reimbursable projects whether the work is performed by the District engineer or another engineer are part of the overall project and not an operating expense.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5683 Description: Financial Services	
Actual Amount As Of: 28-Feb 2105	16,585
PROJECTED ACTIVITY to END of FY:	5,000
Projected YEAR END TOTAL:	21,585
PROPOSED Line Item Amount:	24,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	24,000
% Change Actual Year End compared to Proposed Line item amount.	11.2%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

Annual auditing services performed by Joseph J Arch, CPA and
Annual accounting/consultation services provided by John Parsons, CPA.

	FY 15/16
Financial Audit Service	\$16,000
Accounting Services	\$8,000
Total	<u><u>\$24,000</u></u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5684 Description: Payroll Taxes	
Actual Amount As Of: 28-Feb 2015	83,084
PROJECTED ACTIVITY to END of FY:	41,000
Projected YEAR END TOTAL:	124,084
PROPOSED Line Item Amount:	153,056

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	135,168
% Change Actual Year End compared to Proposed Line item amount.	23.3%
% Change to Previous Year Budget	13.2%
Dollar difference between proposed budget & current budget	17,888

NARRATIVE:

Payroll taxes, i.e. Social Security is a function of salaries. It is applied at a total rate of 7.65% of gross payroll. The final amount will be determined when salaries and employee complement is finalized by the Board.

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

Line Item

Amount

Acct. No. **5684** Description: Payroll Taxes

CALCULATION FOR PAYROLL TAXES

		SOCIAL SECURITY 6.20%	MEDICARE 1.45%	TOTAL
TOTAL PAYROLL	\$ 2,180,286			
AMOUNT SUBJECT TO SOCIAL SECURITY	\$ 1,958,736	\$ 121,442		\$ 121,442
AMOUNT SUBJECT TO MEDICARE	\$ 2,180,286		\$ 31,614	\$ 31,614
TOTAL				\$ 153,056

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5687	Description: Memberships & Subscriptions
Actual Amount As Of: 28-Feb 2015	32,809
PROJECTED ACTIVITY to END of FY:	32,000
Projected YEAR END TOTAL:	64,809
PROPOSED Line Item Amount:	71,290

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	63,074
% Change Actual Year End compared to Proposed Line item amount.	10.0%
% Change to Previous Year Budget	13.0%
Dollar difference between proposed budget & current budget	8,216

NARRATIVE: See attached worksheet for detail of costs

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

Worksheet 5687A			
Budget Detail Worksheet			
Line Item: Memberships & Subscriptions			Description
Acct. No. 5687		Amount	
	Alliance for Water Efficiency	\$ 400	Annual Membership
	ACWA	\$ 12,000	Membership dues
	ACWA	\$ 10,000	Delta Sustainability Dues
	AWWA	\$ 2,000	Membership dues and technical publications
	BAWSCA	\$ 29,280	Annual assessment & dues (includes 22% increase)
	California Emergency Utilities	\$ 500	Annual Membership
	California Urban Water Conservation Council	\$ 2,700	Annual Membership
	Chamber of Commerce	\$ 600	Membership dues
	CSDA	\$ 5,000	Membership dues
	Half Moon Bay Review	\$ 60	Annual Subscription
	IAMPO	\$ 100	Subscription for Backflow Prevention Magazine
	Miscellaneous	\$ 2,000	Miscellaneous Dues/Memberships/Subscriptions
	Springbrook Users Group	\$ 100	Annual Users Group for Springbrook Software
	Water Education Foundation	\$ 1,500	Membership dues and technical publications
	Water Net	\$ 250	Publication & Membership
	Water Research Foundation	\$ 1,500	Annual Membership Dues
	Water ReUse	\$ 600	Annual Association Dues
	Wellness Program	\$ 2,100	Wellness Program group membership in health club
	West Group (Formally Barclays)	\$ 600	Updates on California Code of Regulations regarding construction laws
	TOTAL	\$ 71,290	

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>		<u>Amount</u>
Acct. No.	5688	Description: Election Expense
Actual Amount As Of:	28-Feb 2015	0
PROJECTED ACTIVITY to END of FY:		0
Projected YEAR END TOTAL:		0
PROPOSED Line Item Amount:		25,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET: 0

% Change Actual Year End compared to Proposed Line item amount.

% Change to Previous Year Budget #DIV/0!

Dollar difference between proposed budget & current budget 25,000

NARRATIVE:

Spread:

Jul	Aug	Sep	Oct	Nov	Dec	Totals
Jan	Feb	Mar	Apr	May	Jun	

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>		<u>Amount</u>
Acct. No.	5689	Description: Union Expenses
Actual Amount As Of:	28-Feb 2015	0
PROJECTED ACTIVITY to END of FY:		0
Projected YEAR END TOTAL:		0
PROPOSED Line Item Amount:		6,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET: **6,000**

% Change Actual Year End compared to Proposed Line item amount.

% Change to Previous Year Budget **0.0%**

Dollar difference between proposed budget & current budget 0

NARRATIVE:

Union Negotiation Services		\$ 6,000
	TOTAL	<u>\$ 6,000</u>

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

Fiscal Year
2015/2016

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5700 Description: County Fees	
Actual Amount As Of: 28-Feb 2015	16,835
PROJECTED ACTIVITY to END of FY:	0
Projected YEAR END TOTAL:	16,835
PROPOSED Line Item Amount:	17,700

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	17,700
% Change Actual Year End compared to Proposed Line item amount.	5.1%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

1. The cost of the LAFCo budget, estimated	\$5,000.00
2. Hazardous Material Handling (Nunes & Denniston)	\$3,500.00
3. Property Taxes	\$1,000.00
4. Annual Encroachment Permit	\$7,000.00
5. District Digital Mapping - Secured Master Data	\$1,200.00
	\$17,700.00

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5705 Description: State Fees	
Actual Amount As Of: 28-Feb 2015	8,035
PROJECTED ACTIVITY to END of FY:	5,000
Projected YEAR END TOTAL:	13,035
PROPOSED Line Item Amount:	16,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	16,000
% Change Actual Year End compared to Proposed Line item amount.	22.7%
% Change to Previous Year Budget	0.0%
Dollar difference between proposed budget & current budget	0

NARRATIVE:

- #1 Fees are charged by the State Department of Health Services for reviewing applications and annual reports on operation of the Nunes & Denniston Water Treatment Plants *(DHS Fees - Increase due to additional services regarding new regulations)*
- #2 Water Rights (initialized by SWRCB) for both Pilarcitos & San Vicente
- #3 RWQCB NPDES Annual Fee (estimated)
- #4 Bay Area Air Quality Management Dist - Permits to Operate

#1	\$12,000
#2	\$1,000
#3	\$2,000
#4	\$1,000
	\$16,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

Line Item **Amount**

Acct. No.	5712	Description: Existing Bonds - 2006B	
Actual Amount As Of:	28-Feb 2015		350,866
PROJECTED ACTIVITY to END of FY:			135,000
Projected YEAR END TOTAL:			485,866

PROPOSED Line Item Amount:	485,889
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Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	485,889
% Change Actual Year End compared to Proposed Line item amount.	0.0%
% Change to Previous Year Budget	(0.0%)
Dollar difference between proposed budget & current budget	0

NARRATIVE:

CSCDA Pooled Financing Program Series 2006B

September 2015 Payment	\$349,992
March 2016 Payment	\$135,897
	\$485,889

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5713 Description: Cont. to CIP & Reserves	
Actual Amount As Of: 28-Feb 2015	1,220,883
PROJECTED ACTIVITY to END of FY:	607,332
Projected YEAR END TOTAL:	1,828,215
PROPOSED Line Item Amount:	1,800,000

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	1,821,998
% Change Actual Year End compared to Proposed Line item amount.	(1.5%)
% Change to Previous Year Budget	(1.2%)
Dollar difference between proposed budget & current budget	-21,998

NARRATIVE:

Contribution to CIP & Reserves	\$ 1,800,000
	\$ 1,800,000

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

COASTSIDE COUNTY WATER DISTRICT

Budget Worksheet

**Fiscal Year
2015/2016**

<u>Line Item</u>	<u>Amount</u>
Acct. No. 5715 Description: Existing Bond-CIEDB 11-099	
Actual Amount As Of: 28-Feb 2015	338,024
PROJECTED ACTIVITY to END of FY:	0
Projected YEAR END TOTAL:	338,024
PROPOSED Line Item Amount:	338,024

Approved Line Item Amount:

PREVIOUS YEAR BUDGET:	338,024
% Change Actual Year End compared to Proposed Line item amount.	(0.0%)
% Change to Previous Year Budget	(0.0%)
Dollar difference between proposed budget & current budget	0

NARRATIVE:

California Infrastructure & Economic Development Bank (I-Bank) - CIEDB-11-099

July 2015 Payment	\$257,971
January 2016 Payment	\$80,053
	\$338,024

Spread:

Jul	Aug	Sep	Oct	Nov	Dec
Jan	Feb	Mar	Apr	May	Jun

CIP Projects FY15/16 to FY24/25

NO.	PROJECT NAME	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	CIP Total
Equipment Purchase & Replacement												
06-03	SCADA/Telemetry/Electrical Controls Replacement	150,000	150,000	150,000								450,000
08-10	Backhoe					80,000						80,000
08-12	New Service Truck		150,000									150,000
15-04	Vactor Truck/Trailer			200,000								200,000
16-06	Portable work lights	6,000										6,000
99-02	Vehicle Replacement	30,000			30,000		30,000	30,000		30,000		150,000
99-03	Computer Systems	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000		45,000
99-04	Office Equipment/Furniture	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000		27,000
8	Equipment Purchase & Replacement Totals	194,000	308,000	358,000	38,000	88,000	38,000	38,000	8,000	38,000		1,108,000
Facilities & Maintenance												
08-08	PRV Valves Replacement Project	30,000	30,000	30,000	30,000	30,000						150,000
09-07	Advanced Metering Infrastructure					1,500,000	1,500,000					3,000,000
09-09	Fire Hydrant Replacement	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000		180,000
09-23	District Digital Mapping	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	\$10,000	100,000
14-11	Replace 2" and Larger Meters with Omni Meters	30,000										30,000
14-13	New Security Fence at Pilarcitos Well Field	20,000										20,000
15-01	Utility Billing Software Upgrade	150,000										150,000
15-03	District Administration/Operations Center										3,000,000	3,000,000
16-07	Sample Station Replacement Project			5,000	5,000	5,000	5,000	5,000	5,000	5,000	\$5,000	40,000
99-01	Meter Change Program	10,000	10,000	10,000	10,000	20,000	20,000	20,000	20,000	20,000		140,000
10	Facilities & Maintenance Totals	270,000	70,000	75,000	75,000	1,585,000	1,555,000	55,000	55,000	55,000	3,015,000	6,810,000
Pipeline Projects												
06-01	Avenue Cabrillo Phase 2 & 3 Pipeline Replacement Project		300,000									300,000

NO.	PROJECT NAME	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	CIP Total
06-02	Highway 1 South Pipeline Replacement Project			80,000	100,000	1,200,000						1,380,000
07-03	Pilarcitos Canyon Pipeline Replacement	100,000							150,000	1,000,000		1,250,000
07-04	Bell Moon Pipeline Replacement Project			60,000	250,000							310,000
10-01	Main Street Bridge Pipeline Replacement Project	2,000,000										2,000,000
12-02	Wave Valve Automation		50,000									50,000
13-02	Replace 8 Inch Pipeline Under Creek at Pilarcitos Ave.		200,000									200,000
14-01	Replace 12" Welded Steel Line on Hwy 92 with 8" DI	300,000					1,000,000	1,000,000	1,000,000			3,300,000
14-26	Replace 2 Inch Pipe Downtown Half Moon Bay		500,000									500,000
14-27	Grandview 2 Inch Replacement			450,000								450,000
14-28	Replace 2 Inch Hilltop Market to Spanishtown				240,000							240,000
14-29	Replace 2 Inch GS Purisima Way					125,000						125,000
14-30	Replace Miscellaneous 2 Inch GS El Granada					60,000						60,000
14-31	Ferdinand Avenue - Replace 4" WS Ferdinand Ave. to Columbus St.				225,000							225,000
14-32	Casa Del Mar - Replace Cast Iron Mains							1,000,000	1,000,000			2,000,000
14-33	Miramar Cast Iron Pipeline Replacement					1,000,000	1,000,000					2,000,000
16-09	Slipline 10-inch Pipeline in Magellan at Hwy 1	100,000										100,000
NN-00	Pipeline Replacement									1,500,000	1,500,000	3,000,000
18	Pipeline Projects Totals	2,500,000	1,050,000	590,000	815,000	2,385,000	2,000,000	2,000,000	2,150,000	2,500,000	1,500,000	17,490,000
Pump Stations/Tanks/Wells												
06-04	Hazen's Tank Replacement	300,000										300,000
08-14	Alves Tank Recoating, Interior + Exterior				600,000							600,000
08-16	Cahill Tank Exterior Recoat					15,000						15,000
08-18	EG Tank #3 Recoating Interior + Exterior		350,000									350,000
09-18	New Pilarcitos Well			150,000								150,000
11-02	CSPS Stainless Steel Inlet Valves				100,000							100,000
11-05	Half Moon Bay Tank #2 Interior + Exterior Recoat			200,000								200,000

NO.	PROJECT NAME	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	CIP Total
11-06	Half Moon Bay Tank #3 Interior + Exterior Recoat					200,000						200,000
13-08	Crystal Springs Spare 350 HP Pump & Motor			50,000								50,000
13-11	EG Tank #1 & Tank #2 Emergency Generators	75,000	200,000									275,000
16-08	New Denniston Well			80,000								80,000
11	Pump Stations/Tanks/Wells Totals	375,000	550,000	480,000	700,000	215,000						2,320,000
Water Supply Development												
10-02	Bridgeport Drive Pipeline Replacement Project	110,000	840,000									950,000
12-04	Denniston Treated Water Booster Station	200,000	800,000									1,000,000
12-12	San Vicente Diversion and Pipeline	300,000	1,000,000	1,000,000								2,300,000
13-04	Denniston Reservoir Restoration		1,000,000									1,000,000
14-24	Denniston/San Vicente EIR & Permitting	50,000										50,000
14-25	Water Shortage Plan Development	100,000										100,000
6	Water Supply Development Totals	760,000	3,640,000	1,000,000								5,400,000
Water Treatment Plants												
08-07	Nunes Filter Valve Replacement				30,000	30,000	30,000	30,000	30,000			150,000
13-05	Denniston WTP Emergency Power				500,000							500,000
16-01	Denniston WTP Coag Tank Motor Operated Valve	10,000										10,000
16-02	Denniston WTP Filter Repairs	110,000										110,000
16-03	Denniston WTP Filter Flow Meter Replacement	10,000										10,000
16-04	Denniston WTP Pond Return Pump	25,000										25,000
16-05	Nunes Filter Valve Repairs & Replacements	15,000										15,000
99-05	Denniston Maintenance Dredging	35,000	35,000	35,000	35,000	35,000	35,000	3,500	35,000	35,000		283,500
8	Water Treatment Plants Totals	205,000	35,000	35,000	565,000	65,000	65,000	33,500	65,000	35,000		1,103,500
Grand Total		4,304,000	5,653,000	2,538,000	2,193,000	4,338,000	3,658,000	2,126,500	2,278,000	2,628,000	4,515,000	34,231,500

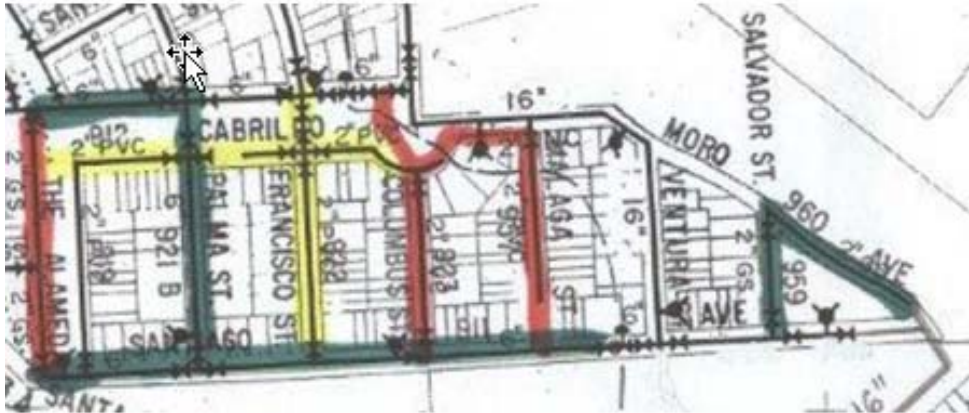
06-01 Avenue Cabrillo Phase 2 & 3 Pipeline Replacement Project

Pipeline Projects

Priority: 2 Improves water service and fire protection, eliminates frequent leak repairs, reduces water loss.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$600,000		300,000								

Description: The Avenue Cabrillo project replaces old, undersized PVC and galvanized mains in the area of El Granada shown in the sketch below (Red = Phase 1, Yellow = Phase 2, Green = Phase 3). This area has been plagued by numerous leaks and by low-pressure. The project consists of 1) constructing 1,520 linear feet of 8-inch diameter and 8,560 linear feet of 6-inch diameter water pipelines to replace old, leaky pipelines, 2) replacing 8 existing fire hydrants and installing 3 new ones, and 3) replacing or reconnecting 149 existing customer water service pipelines. The project was first placed on the CIP in FY 05/06. District Engineer Jim Teter completed the project documents, breaking construction into three phases in order to spread out the construction costs. The district awarded Phase 1 of the project to Stoloski & Gonzales in September 2012, and the contractor completed construction in February 2013. Because Phase 1 addressed the most serious problems, timing for Phases 2 & 3 is somewhat flexible. It will be advantageous to complete this construction in the near future, however, before San Mateo County’s planned pavement overlay project.



06-02 Highway 1 South Pipeline Replacement Project

Pipeline Projects

Priority: 3 Replaces obsolete, substandard main and improves water service, fire protection, water quality.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$1,380,000			80,000	100,000	1,200,000					

Description: This project would replace about 3500 feet of 2 inch galvanized steel pipe running south along Highway 1 from Miramontes Point Road. The pipeline was part of the Citizens Utilities system acquired when the district was formed in 1948. It serves six connections, one at the approximate midpoint and five at the southern end of the line. These services experience low-pressure problems due to the size and length of the pipe in the prevailing lower pressures in the southernmost part of the District. The low-pressure also creates the risk of water quality problems. District Engineer Teter completed design drawings for the replacement project in November 2008 and prepared an Engineer's Report detailing environmental and permitting requirements and suggesting possible alternatives to replacing the existing pipe with an 8 inch ductile iron main. The District will evaluate the alternatives further before proceeding with the replacement project.



06-03 SCADA/Telemetry/Electrical Controls Replacement

Equipment Purchase & Replacement

Priority: 1 Improves operational efficiency, ensures reliable facility control and communication of critical operations data.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$600,000	150,000	150,000	150,000							

Description: This project provides for phased upgrading of controls at all the District's facilities and construction of a radio-based data communications network. Digital controllers at the District's facilities monitor reservoir levels, control treatment processes and pump stations, communicate critical data to the District's operations center, and notify operators of alarm conditions. Many of the District's operations run on controllers installed in the 1990s. These controllers are obsolete and can no longer be repaired when they fail. Replacing them before they fail prevents the disruption and higher costs associated with emergency replacements. Transmission of essential data from District facilities to the operations center currently depends on a variety of communication channels, including leased telephone lines, radio links, and cellular network links. These communication links are not under the control of the District, vary in reliability, and can be expensive. This project will connect all District facilities with a reliable, District-owned, ethernet radio network.

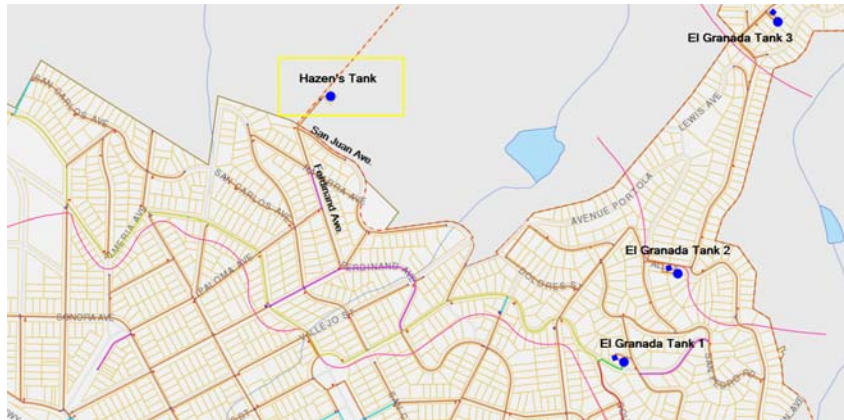
06-04 Hazen's Tank Replacement

Pump Stations/Tanks/Wells

Priority: 1 Replaces essential district infrastructure.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$500,000	300,000									

Description: Hazen's tank is a 50,000 gallon redwood tank of uncertain age which was moved to the present site near the intersection of San Juan Ave. and Ferdinand Avenue in the mid-1960s. Its purpose is to stabilize water pressures in the nearby higher elevation areas of El Granada within the El Granada Tank 2 pressure zone. This tank has reached the end of its useful life, and its redwood construction raises the risk of water quality problems. The new tank will be a welded steel tank.



07-03 Pilarcitos Canyon Pipeline Replacement

Pipeline Projects

Priority: 1 This project is vital because gravity flow from Pilarcitos saves up to \$40,000 per month in Crystal Springs pumping costs and provides a backup water source for the district in the event of a Crystal Springs pump station failure.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$1,250,000	100,000							150,000	1,000,000	

Description: The Pilarcitos Canyon Pipeline (also called Stone Dam Pipeline) conveys water from SFPUC's Pilarcitos Reservoir by gravity into the District's system. The original 12 inch welded steel pipeline, built in 1948, failed in an inaccessible area of the pipeline alignment in August 2012. Due to the age and condition of the pipe and the difficulty of working at the failure site, District staff concluded that repairing the pipeline was not feasible. In November 2012, the District obtained a permit from San Francisco to install an emergency temporary replacement pipeline to supply water while the District plans, designs, and constructs a permanent replacement pipe. District staff and contractors completed construction of the temporary line in December 2012. Conditions of the San Francisco permit require the District to conduct a feasibility study for the permanent replacement pipeline and undertake an environmental evaluation of the replacement project by May 2014 and complete construction by November 2015. These deadlines will likely be extended by mutual agreement. This work will require significant coordination between the District and SFPUC. Given the sensitivity of the Pilarcitos Canyon environment and regulatory interest in Pilarcitos stream flows, completion of the permanent replacement could take significantly longer than the three years contemplated in the permit. The temporary pipeline will serve the district's needs during this time. The CIP budgets \$75,000 per year in FY 14/15 and FY 15/16 for the feasibility study, initial environmental review, and preliminary design. The FY 17/18 CIP includes a construction cost placeholder of \$1 million.

07-04 Bell Moon Pipeline Replacement Project

Pipeline Projects

Priority: 3 The District's welded steel pipelines are generally at least 50 years old and subject to increasing risk of failure.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$310,000			60,000	250,000						

Description: Replaces approximately 725 feet of 12 inch welded steel pipeline serving the light industrial area between Lewis Foster Drive and Highway 92.



08-07 Nunes Filter Valve Replacement

Water Treatment Plants

Priority: 3 Maintains essential District facilities.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$150,000				30,000	30,000	30,000	30,000	30,000		

Description:

08-08 PRV Valves Replacement Project

Facilities & Maintenance

Priority: 1 Maintains distribution system circulation and water quality

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$180,000	30,000	30,000	30,000	30,000	30,000					

Description: 14 pressure reducing valves (PRV) divide the District's distribution system into four pressure zones. As the valves reach the end of their service life, they may stop or restrict the flow between zones, creating dead ends in the system and increasing the risk of water quality problems. This project provides funding to replace seven remaining older PRV's at one PRV per year.

08-10 Backhoe

Equipment Purchase & Replacement

Priority: 2 Replaces essential District equipment.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$80,000					80,000					

Description: District crews use a backhoe on a frequent basis for leak repairs. The District purchased its current backhoe used in 2006. This project would replace the backhoe with a late-model used unit.

08-12 New Service Truck

Equipment Purchase & Replacement

Priority: 2

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$150,000		150,000								

Description:

08-14 Alves Tank Recoating, Interior + Exterior

Pump Stations/Tanks/Wells

Priority: 1 Maintains critical district infrastructure.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$600,000				600,000						

Description: Under a comprehensive program initiated in 2008, the District has inspected and performed long-deferred maintenance on its steel treated water storage tanks. The maintenance generally consists of repairing corrosion damage, recoating the interior and exterior of the tank, and bringing ladders, manways, railings and other tank features up to current standards. The Alves Tank, located above Miramontes Point Road east of Highway 1, is the District's largest at 2.0 million gallons. This project provides for repairing and recoating the Alves Tank. Project costs will include installation and operation of a temporary pump station to ensure adequate flow and pressure to customers in the southernmost area of the District during the tank shutdown. The project also includes replacement of the tank's altitude valve (formerly shown as Project 13-10 at a cost of \$50,000).

08-16 Cahill Tank Exterior Recoat

Pump Stations/Tanks/Wells

Priority: 3 Maintains essential district facilities

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$15,000					15,000					

Description: Under a comprehensive program initiated in 2008, the District has inspected and performed long-deferred maintenance on its steel treated water storage tanks. The maintenance generally consists of repairing corrosion damage, recoating the interior and exterior of the tank, and bringing ladders, manways, railings and other tank features up to current standards. The Cahill tank is a 250,000 gallon surge tank located on the ridge above Crystal Springs Reservoir, near Skylawn Cemetery. The tank receives raw water from the Crystal Springs pumps and provides for a uniform flow into the Nunes Water Treatment Plant. This project provides for exterior recoding of the Cahill tank.

08-18 EG Tank #3 Recoating Interior + Exterior

Pump Stations/Tanks/Wells

Priority: 1 Maintains essential district facilities.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$700,000		350,000								

Description: Under a comprehensive program initiated in 2008, the District has inspected and performed long-deferred maintenance on its steel treated water storage tanks. The maintenance generally consists of repairing corrosion damage, recoating the interior and exterior of the tank, and bringing ladders, manways, railings and other tank features up to current standards. El Granada Tank #3 is a 250,000 gallon steel tank located at 712 El Granada Boulevard. It supplies the District's highest elevation zone. District Engineer J. Teter completed an inspection report for the tank in January 2009. The inspection found the tank structurally sound and in need of exterior and interior recoding to prevent corrosion.

09-07 Advanced Metering Infrastructure

Facilities & Maintenance

Priority: 2 Ensures efficient District operation and customer service, particularly during water shortages

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$3,000,000					1,500,000	1,500,000				

Description: Advanced Metering Infrastructure (AMI) represents an essential element of a larger District initiative to prepare the District to operate efficiently and meet the needs of its customers during future water shortages. An AMI network transmits meter readings directly to the District's office, eliminating the current labor-intensive manual reading process. AMI provides the ability to read meters daily – or even more frequently – rather than monthly or bimonthly. This facilitates leak detection and allows us to give customers timely feedback that helps them manage their water use. The District has proven the concept of automated meter reading with approximately 500 currently installed meters. These meters operate on a drive-by reading system. The CIP budget provides funds for phased AMI implementation over two years beginning with FY 19/20.

09-09 Fire Hydrant Replacement

Facilities & Maintenance

Priority: 3 Maintains essential district infrastructure.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$200,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	

Description: This project provides continuing funding for replacement of fire hydrants that have reached the end of their service life. The district has about 620 fire hydrants, and the cost of replacing a hydrant ranges from \$2000-\$5000.

09-18 New Pilarcitos Well

Pump Stations/Tanks/Wells

Priority: 2 Maintains essential district facilities, reduces water purchased costs.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$150,000			150,000							

Description: Water from a number of wells located on District property along upper Pilarcitos Creek represents an important water source for the District. Under the terms of a permanent water rights license, the District may pump up to 117 million gallons from these wells in the period from November 1 through March 31. Use of the wells results in substantial water cost savings versus the high cost of water purchased from San Francisco Public Utilities Commission. A new well producing 300 gallons per minute could reduce SFPUC water purchase costs by more than \$350,000 in a single pumping season (based on projected FY 18/19 SFPUC cost of \$4.35 per hundred cubic feet) This project provides for drilling a new Pilarcitos well to replace several older wells which have, over time, become less productive.

09-23 District Digital Mapping

Facilities & Maintenance

Priority: 1 Provides an essential tool for District asset management.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$100,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000

Description: This project provides continuing funding for implementation of the District's Geographic Information System (GIS).The GIS effort began in FY 10/11 with conversion of the District's paper distribution system maps to digital format.

10-01 Main Street Bridge Pipeline Replacement Project

Pipeline Projects

Priority: 1 This remaining section of 10 inch welded steel pipe restricts flow and pressure in the portion of the District south of Pilarcitos Creek. Failure of the pipe on the bridge would cause significant environmental damage and water loss.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$2,500,000	2,000,000									

Description: The El Granada Pipeline Replacement Project, completed in 2008, included replacing the existing 10 inch welded steel pipe along Main Street with a new 16 inch ductile iron pipeline. The section crossing Pilarcitos Creek, which is suspended from the Main Street bridge, was left out of the project because it was anticipated that the City of Half Moon Bay would construct a new bridge within a few years. As of June 2014, the City has not decided whether it will replace or repair the existing bridge, and passage of Measure F requires that any bridge project be subjected to a vote. This section of pipe is critical for service in the portion of the District south of Pilarcitos Creek. Due to the deteriorated condition of the existing pipe and the difficulty of repairing it, the District must 1) be ready to quickly put an emergency temporary pipeline in place if the pipe fails, 2) proceed with a replacement that does not rely on the City's bridge. The District awarded a design contract for the replacement on June 10, 2014. Construction should take place in 2015.



10-02 Bridgeport Drive Pipeline Replacement Project

Water Supply Development

Priority: 1 This project is critical to the District's efforts to make maximum use of local water sources. It must be completed as soon as possible in order to comply with timing requirements of water rights permits for Denniston/San Vicente.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$950,000	110,000	840,000								

Description: The Denniston Water Treatment Plant has a capacity of 1000 gpm, but gravity flow from Denniston WTP into the rest of the District's system is limited to about 400 gpm by the existing 8 inch and 10 inch cast iron pipelines along Bridgeport Drive. This limitation precludes making maximum use of the District's economical local water source. The solution to this problem has two elements: 1) construction of a treated water booster station adjacent to the Denniston pump station, and 2) construction of a 3,500 foot, 12 inch ductile iron pipeline bypassing the Bridgeport Drive bottleneck. This project (10-02) would construct the new pipeline. The Denniston treated water booster station is covered by CIP project 12-04.



11-02 CSPS Stainless Steel Inlet Valves

Pump Stations/Tanks/Wells

Priority: 3 Maintains essential district infrastructure.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$100,000				100,000						

Description: This project would replace the existing carbon steel butterfly valves on the Crystal Springs Pump Station raw water inlets with stainless steel valves. The existing valves are submerged in the Crystal Springs inlet tunnel and subject to corrosion which could render them inoperable. These valves supplement inlet valves located in Crystal Springs reservoir to provide a second barrier against water entering the tunnel when it is necessary to dewater and enter the tunnel for maintenance or inspection purposes. Replacement of the steel inlet valves will complete a project initiated in 2011 to improve reliability and lower maintenance costs of the Crystal Springs Pump Station. The first project phases, completed in 2012, removed two pneumatically operated inlet valves from the tunnel, modified them for manual operation, and relocated them under the inlet screens in Crystal Springs reservoir.

11-05 Half Moon Bay Tank #2 Interior + Exterior Recoat

Pump Stations/Tanks/Wells

Priority: 1 Maintains essential District facilities.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$200,000			200,000							

Description: Under a comprehensive program initiated in 2008, the District has inspected and performed long-deferred maintenance on its steel treated water storage tanks. The maintenance generally consists of repairing corrosion damage, recoating the interior and exterior of the tank, and bringing ladders, manways, railings and other tank features up to current standards. Half Moon Bay Tank #2 Is a 400,000 gallon steel tank, one of three tanks located on the Nunes Treatment Plant site. The District completed repair and recoating of Half Moon Bay Tank #1, the smallest and the oldest of the three tanks, in 2012. The Tank #1 project also included providing improved access to the roof of Tank #2 via a catwalk from the roof of Tank #1, eliminating Tank #2's access ladder. This project provides for recoating the interior and exterior of Half Moon Bay Tank #2.

11-06 Half Moon Bay Tank #3 Interior + Exterior Recoat

Pump Stations/Tanks/Wells

Priority: 1 Maintains essential District facilities.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$200,000					200,000					

Description: Under a comprehensive program initiated in 2008, the District has inspected and performed long-deferred maintenance on its steel treated water storage tanks. The maintenance generally consists of repairing corrosion damage, recoating the interior and exterior of the tank, and bringing ladders, manways, railings and other tank features up to current standards. Half Moon Bay Tank #2 Is a 400,000 gallon steel tank, one of three tanks located on the Nunes Treatment Plant site. The District completed repair and recoating of Half Moon Bay Tank #1, the smallest and the oldest of the three tanks, in 2012. This project provides for recoating the interior and exterior of Half Moon Bay Tank #3.

12-02 Wave Valve Automation

Pipeline Projects

Priority: 3 Improves system operation, water quality due to better circulation control, employee safety.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$50,000		50,000								

Description: The Wave Valve, located on the 16 inch El Granada Pipeline adjacent to the Highway 1 frontage road near Wave Avenue, allows isolating the northern part of the District from the southern area. Closing the valve occasionally may be necessary for operational reasons. This project would retrofit the existing valve with an electrically operated actuator, eliminating a strenuous manual operation which raises safety concerns and providing operators with the ability to control the valve remotely in the event of an emergency or other operational need.



12-04 Denniston Treated Water Booster Station

Water Supply Development

Priority: 1 This project is critical to the District's efforts to make maximum use of local water sources. It must be completed as soon as possible in order to comply with timing requirements of water rights permits for Denniston/San Vicente.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$1,000,000	200,000	800,000								

Description: The Denniston Water Treatment Plant has a capacity of 1000 gpm, but gravity flow from Denniston WTP into the rest of the District's system is limited to about 400 gpm by the existing 8 inch and 10 inch cast iron pipelines along Bridgeport Drive. This limitation precludes making maximum use of the District's economical local water source. The solution to this problem has two elements: 1) construction of a treated water booster station adjacent to the Denniston pump station, and 2) construction of a 3,500 foot, 12 inch ductile iron pipeline bypassing the Bridgeport Drive bottleneck. This project (12-04) would construct the new pump station. The Bridgeport pipeline replacement is covered by CIP project 10-02. Denniston/San Vicente EIR process must complete before construction can proceed.

12-12 San Vicente Diversion and Pipeline

Water Supply Development

Priority: 1 Essential to secure vital local source water rights.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$2,300,000	300,000	1,000,000	1,000,000							

Description: A water rights permit issued in 1969 allows the District to divert up to 2 cubic feet per second, year-round, from San Vicente Creek. In order to secure this water right on a permanent basis, the District must divert water from San Vicente. Although the District laid a temporary pipeline and diverted a small quantity of water in the 1980s, San Vicente diversion rights have essentially gone unused. The San Vicente Diversion and Pipeline Project includes the following: 1) construction of a new diversion structure and pumping station at the District owned diversion site on San Vicente Creek. 2) replacement of the existing District owned pipeline from the diversion site to Upper San Vicente Reservoir (approximately 2300 feet). 3) construction of flow control and bypass piping at Upper San Vicente Reservoir. 4) construction of a new pipeline from Upper San Vicente Reservoir to the Denniston pump station (approximately 4000 feet). This project includes \$300,000 in funding for design in FY 15/16 and \$2 million for construction in FY 16/17 and FY 17/18. Denniston/San Vicente EIR process must complete before construction can proceed.

13-02 Replace 8 Inch Pipeline Under Creek at Pilarcitos Ave.

Pipeline Projects

Priority: 2 Prevents water loss and environmental damage, protects water quality.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$400,000		200,000								

Description: The 8 inch pipeline crossing Pilarcitos Creek between the end of Pilarcitos Avenue just south of the creek and Strawflower Shopping Center is one of only two pipelines supplying water to areas of the district south of Pilarcitos Creek. The pipe's age, current condition, and exact location in the creek are unknown. A break occurring in the section of pipe underneath the creek bed would be very difficult to detect and could cause significant water loss, serious water quality issues which could result in a District-wide boil water order, and environmental damage with potential fines. The objective of this project is to replace the section of pipe under the creek with a pipe running over the creek, possibly attached to the existing footbridge between the end of Pilarcitos Avenue and the shopping center.



13-04 Denniston Reservoir Restoration

Water Supply Development

Priority: 2 Improves yield, quality, and reliability of the District's primary local water source.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$1,000,000		1,000,000								

Description: Siltation in Denniston reservoir has reduced its volume to a small fraction of the capacity that existed when the District built the Denniston treatment plant. This reduction in volume reduces available yield during the dryer months and results in poor water quality during the wet months due to lack of settling time. This project would substantially restore the original volume of Denniston reservoir. The Environmental Impact Report currently under preparation for the Denniston/San Vicente Water Supply Project includes consideration of Denniston reservoir dredging.



13-05 Denniston WTP Emergency Power

Water Treatment Plants

Priority: 2 Improves water supply reliability, emergency preparedness.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$500,000				500,000						

Description: This project would provide emergency backup power and associated switchgear for the Denniston Water Treatment Plant and Denniston Pump Station. Denniston provides the only backup to the District's SFPUC water supply, which comes into the district via a single pipeline. Should the SFPUC supply be disrupted for an extended period – by an earthquake, for example – having emergency power at Denniston would ensure continuous flow of water to the District's customers.

13-08 Crystal Springs Spare 350 HP Pump & Motor

Pump Stations/Tanks/Wells

Priority: 2 Ensures reliability of critical facilities.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$50,000			50,000							

Description: The Crystal Springs Pump Station has two 350 HP pumps and one 500 HP pump. Because failure of any one of the three pumps during peak demand months could impose an immediate water shortage on the District, the District maintains spare replacement units for pumps and motors. This ensures that the District could bring a failed pump back online with in a few days, rather than waiting the 10 to 14 weeks it could take to order and receive a new unit. This project would provide a spare 350 HP pump and motor which could replace either of the operating 350 HP units in the event of a failure. The pump and motor will be purchased in FY 13/14 and FY 17/18, respectively.

13-11 EG Tank #1 & Tank #2 Emergency Generators

Pump Stations/Tanks/Wells

Priority: 1 Ensures adequate water supplies, fire flows.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$275,000	75,000	200,000								

Description: The pump station at El Granada (EG) Tank #1 lifts water to EG Tank #2, where the EG Tank #2 pump station pumps the water further up El Granada Boulevard to EG Tank #3. In the event of a power failure at EG Tank #1, the higher elevation areas served by tanks 2 and 3 would have only the limited supply (400,000 gallons) contained in those tanks. This would significantly reduce the system's ability to provide adequate fire flows. This project will provide emergency generators and associated switchgear for the EG Tank #1 and EG Tank #2 pump stations.

14-01 Replace 12" Welded Steel Line on Hwy 92 with 8" DI

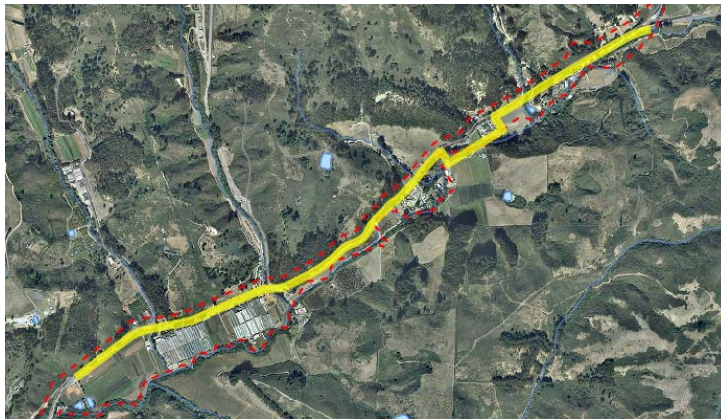
Pipeline Projects

Priority: 2 Replacing this pipeline is important to reduce costs, lower environmental risks, and improve water quality.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$3,300,000	300,000					1,000,000	1,000,000	1,000,000		

Description: When the District built the new Pilarcitos East Pipeline to bring untreated water from Pilarcitos Reservoir and Crystal Springs to the Nunes Water Treatment Plant, the existing 12 inch welded steel raw water pipeline running along Highway 92 was repurposed to supply treated water to services along Highway 92. This (approximately) 12,000 foot pipeline is one of the oldest in the District and, like other welded steel pipelines, is at the end of its useful life. District crews have repaired a number of leaks along the pipe in recent years, and we would expect the frequency of repairs to increase. A large leak in a section of pipeline close to Pilarcitos Creek could cause significant environmental damage. In addition, the large size of the pipe relative to the low flow demands of the limited number of services along Highway 92 creates water quality problems. We are currently addressing water quality concerns with a schedule of regular flushing, but the flushing itself raises additional issues, including discharge of treated water into Pilarcitos Creek. Given its length and the challenges of construction along the busy highway, replacing this pipe will be expensive – on the order of several million dollars. Construction would occur in phases, beginning with the sections at highest risk for costly failures. The CIP budget for the project includes:

- \$100,000 for planning in FY 15/16
- \$200,000 in FY15/16 for sliplining a problematic section near La Nebbia winery
- Construction cost placeholders of \$1 million per year in FY 20/21 through FY 22/23.



14-11 Replace 2" and Larger Meters with Omni Meters

Facilities & Maintenance

Priority: 2 Ensures equitable collection of revenue from larger customers.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$60,000	30,000									

Description: This program provides for replacing 2 inch and larger meters with newer technology that more accurately measures low flows, ensuring equitable collection of revenue.

14-13 New Security Fence at Pilarcitos Well Field

Facilities & Maintenance

Priority: 2 Maintains security of district property and facilities.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$40,000	20,000									

Description: Replaces the fence and gate leading into the District's property in Pilarcitos Canyon. The fence separates District property from the public areas of the adjoining Christmas tree farm. The current fence and gate do not provide adequate security.

14-24 Denniston/San Vicente EIR & Permitting

Water Supply Development

Priority: 1 Essential to the District's efforts to secure vital local water sources.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$100,000	50,000									

Description: Preparing an Environmental Impact Report (EIR) for the Denniston/San Vicente Water Supply Project is a key element of the District's efforts to secure its rights to vital local water supply sources. Given the environmental sensitivity of the Denniston and San Vicente watersheds and the number of interested parties – the State Water Resources Control Board, farmers, the National Park Service, Montara Water and Sanitary District, Peninsula Open Space Trust, California Department of Fish and Game, National Marine Fisheries Service, San Mateo County, the California Coastal Commission, and others – completing the EIR and obtaining permits for the District's projects and water diversions will require significant resources. This project provides funding for work on Denniston/San Vicente by the District's EIR consultant, water rights counsel, legal counsel, hydrology consultants, biologists, fisheries consultants, and others.

14-25 Water Shortage Plan Development

Water Supply Development

Priority: 1 Ensures the district will be able to meet customer needs, equitably recover revenue, and manage water supplies during a water shortage.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$150,000	100,000									

Description: Although the District has a Drought Contingency Plan which broadly specifies actions to be taken in response to various levels of water shortage, the District does not have in place the policies, procedures, and administrative infrastructure to efficiently control water demand, ensure equitable revenue recovery, and provide increased levels of customer service during a severe water shortage. The District's utility billing software, for example, does not have the capability to bill each customer based on the customer's water allocation or to apply surcharges for use exceeding the allocation. In addition, the District needs to establish a water shortage rate structure. This project provides funding for a multi-year effort aimed at preparing the District to manage water shortages. Elements of this effort include: - Conducting a drought rate study. - Implementing a drought rate and fee schedule through the required public input and board decision-making processes. - Reviewing and obtaining public input on water allocations to classes of users. - Identifying and evaluating alternatives for modifying or replacing the District's utility billing software. - Implementing new or revised utility billing software. - Developing plans for the significant increase in billing and customer service resources that would be required during a water shortage.

14-26 Replace 2 Inch Pipe Downtown Half Moon Bay

Pipeline Projects

Priority: 3 Replaces obsolete infrastructure, improves water service, fire protection.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$500,000		500,000								

Description: This project would replace approximately 2500 feet of 2 inch galvanized mains in and around downtown Half Moon Bay. These mains are old, subject to frequent leaks, and incapable of supplying required pressures and flows. Replacing them will allow the District to increase the water pressure in downtown Half Moon Bay and areas to the south.



14-27 Grandview 2 Inch Replacement

Pipeline Projects

Priority: 3 Replaces substandard infrastructure, improves water service, fire flows.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$450,000			450,000							

Description: This project would replace approximately 2300 feet of 2 inch plastic mains in the Grandview Boulevard neighborhood. These mains are substandard and do not provide the required pressure and flow for fire protection.



14-28 Replace 2 Inch Hilltop Market to Spanishtown

Pipeline Projects

Priority: 3 Replaces obsolete infrastructure, improves water service, fire flows.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$240,000				240,000						

Description: This project would replace approximately 1200 feet of 2 inch galvanized steel main running along Highway 92 from Hilltop Market to Spanishtown. This main is old, substandard, and incapable of providing required flow and pressure.



14-29 Replace 2 Inch GS Purisima Way

Pipeline Projects

Priority: 3 Replaces obsolete infrastructure, improves water service, fire flows.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$125,000					125,000					

Description: This project would replace approximately 700 feet of 2 inch galvanized steel main along Purisima Way, north of Miramar Drive. The steel main is substandard and does not provide required flow and pressure.



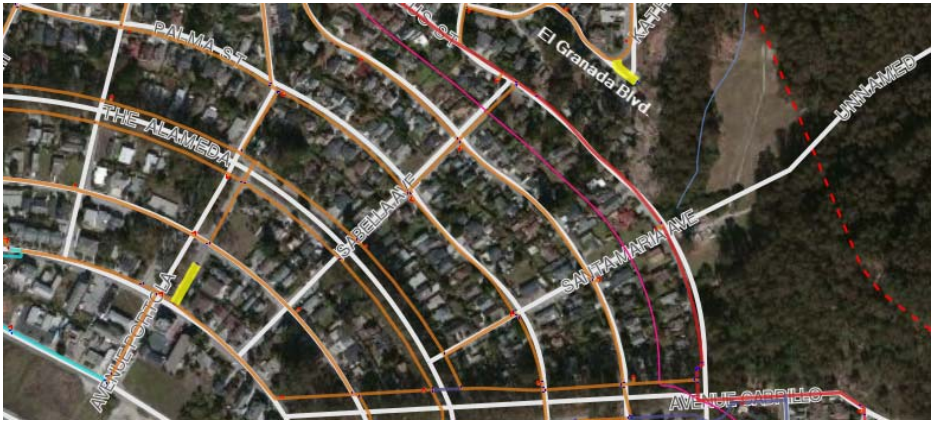
14-30 Replace Miscellaneous 2 Inch GS El Granada

Pipeline Projects

Priority: 3

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$60,000					60,000					

Description: This project would replace approximately 300 feet of 2 inch galvanized steel mains in El Granada that were not included under other projects.



14-31 Ferdinand Avenue - Replace 4" WS Ferdinand Ave. to Columbus St.

Pipeline Projects

Priority: 1 Pipeline is welded steel, more than 50 years old, has had numerous leaks.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$225,000				225,000						

Description: This project would replace approximately 1500 feet of 4 inch welded steel pipeline in El Granada, running along Carmel Avenue and along Ferdinand from Carmel to Columbus (partially paper street). It may be possible to abandon rather than replace the 360 foot section running in the undeveloped Ferdinand right-of-way between Vallejo and Columbus.



14-32 Casa Del Mar - Replace Cast Iron Mains

Pipeline Projects

Priority: 2 These cast iron pipelines are nearing the end of their useful life, leaks are increasing, and repairs are expensive.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$2,000,000							1,000,000	1,000,000		

Description: Cast iron mains in the Casa Del Mar neighborhood (between Kehoe Avenue and Wave Avenue) were installed between 1965 and 1976. This project would replace approximately 10,700 feet of 4 inch, 6 inch, 8 inch, and 10 inch cast iron pipelines. There have been numerous leaks in this neighborhood, and leaks have caused significant pavement damage due to high pressure in the area.



14-33 Miramar Cast Iron Pipeline Replacement

Pipeline Projects

Priority: 2

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$2,000,000					1,000,000	1,000,000				

Description: This project would replace about 11,000 feet of 8 inch and 10 inch cast iron mains in an area of Miramar bounded approximately by Highway 1, Medio Avenue, and Washington Blvd. Most of these pipes were installed in the mid-1960's.



15-01 Utility Billing Software Upgrade

Facilities & Maintenance

Priority: 1 Capable and well supported utility billing software is essential to the District's operations.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$150,000	150,000									

Description: The District's utility billing software (Springbrook) does not have the capability to handle budget-based water billing, which is required for the higher stages of our Water Shortage Contingency Plan and may become a permanent feature of the District's future billing approach. District staff has been unsuccessful in obtaining the necessary software modifications from the current vendor. In addition, poor support of the current software makes it difficult for District staff to obtain important information from the billing system. Replacing the current software package will improve software support, allow for budget-based billing as necessary under the Water Shortage Contingency Plan, provide improved access to utility billing information, and allow for better integration of web-based payments and customer online account access

15-03 District Administration/Operations Center

Facilities & Maintenance

Priority:

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$25,000										3,000,000

Description: Evaluation of District space needs performed in connection with the 2014 administration building remodeling project indicated that the District's current facilities are inadequate to meet the District's long-term needs. This project is included in the CIP as a placeholder in anticipation of the need to provide additional space for District operations and administration functions.

15-04 Vactor Truck/Trailer

Equipment Purchase & Replacement

Priority: 2

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$200,000			200,000							

Description: Due to increased regulation of potable water discharges and risks associated with excavating around existing underground utilities, many water agencies have adopted the use of vacuum equipment for excavation of leaks. This item would fund purchase of a vactor trailer or a used vactor truck.

16-01 Denniston WTP Coag Tank Motor Operated Valve

Water Treatment Plants

Priority: 3

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$10,000	10,000									

Description: Presently the coagulation tank is drained when the plant is shut down which prevents old water from affecting the process when the plant is started back up. In the process of draining the coag tank the contact clarifiers also drain, which causes trouble with entrained air upon startup.

16-02 Denniston WTP Filter Repairs

Water Treatment Plants

Priority: 1

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$110,000	110,000									

Description: Last inspection of the filter showed loss of greensand and significant corrosion where the surface wash laterals screw into the header. This will result in loss of filter cleaning and iron/manganese removal efficiency. The project includes opening the filters, removing media, installing new stainless steel surface wash headers, replacing the laterals, replacing media.

16-03 Denniston WTP Filter Flow Meter Replacement

Water Treatment Plants

Priority:

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$10,000	10,000									

Description: The differential pressure flowmeters give indication of gpm through the filter. SWRCB requires that the filter flows be displayed and recorded. All three DP flowmeters are presently not functional and or inaccurate.

16-04 Denniston WTP Pond Return Pump

Water Treatment Plants

Priority: 2

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$25,000	25,000									

Description: This project will complete the washwater handling system at Denniston WTP by adding a sump pump in the washwater holding pond that can be used when it is necessary to route pond water to locations other than the influent flow stream.

16-05 Nunes Filter Valve Repairs & Replacements

Water Treatment Plants

Priority: 1

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$15,000	15,000									

Description: These valves are original equipment and some have failed on all four filters. Currently the operator must climb scaffolding and support brackets to manually operate the broken Surface Wash valve on side B of Filter #3 during backwash. This is a significant safety issue.

16-06 Portable work lights

Equipment Purchase & Replacement

Priority: 1

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$6,000	6,000									

Description: This portable lighting will work in areas where we have emergency main repairs and the trailer-mounted lights cannot be used. They will also be used when we need multiple lights for traffic control.

16-07 Sample Station Replacement Project

Facilities & Maintenance

Priority: 3

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$35,000			5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000

Description: Our present sample stations are not suitably designed for use on the coast. The housing corrodes causing difficulty with opening and closing. In addition, many stations need to be raised above the ground level. This project would replace three stations per year over eight years.

16-08 New Denniston Well

Pump Stations/Tanks/Wells

Priority: 2

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$80,000			80,000							

Description: Due to deterioration over 40+ years of life, the Denniston wells produce a minimal quantity of water. Denniston wells 2, 3 and 4 are beyond repair. Wells on the south side of creek (3 and 4) are very low producers (<20 gpm) and have a serious iron bacteria problem. The casing in well 2 is damaged beyond repair. Subject to further evaluation of potential water availability by our hydrologists, this project would abandon the existing wells and install a new well on the site of well

16-09 Slipline 10-inch Pipeline in Magellan at Hwy 1

Pipeline Projects

Priority: 1

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$100,000	100,000									

Description: On the night of November 23, 2014, the 10-inch cast iron pipeline which runs down Magellan from 5th Avenue and across Highway 1 failed in the field east of Highway 1, causing the loss of more than 750,000 gallons of water and leading to a boil order in some El Granada neighborhoods. This project will prevent similar problems with this line in the future by lining it with a smaller pipe.

99-01 Meter Change Program

Facilities & Maintenance

Priority: 1 Ensures accuracy of metering for billing purposes.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$150,000	10,000	10,000	10,000	10,000	20,000	20,000	20,000	20,000	20,000	

Description: This project provides on-going funding for the District's replacement of meters that have reached the end of their service life. Anticipating comprehensive replacement of smaller meters in association with AMI implementation (Project 09-07), program reduced beginning FY14/15, to be resumed FY19/20.

99-02 Vehicle Replacement

Equipment Purchase & Replacement

Priority: 2 Replaces essential District equipment.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$180,000	30,000			30,000		30,000	30,000		30,000	

Description: The District generally considers vehicles – primarily pickup trucks – to have a useful life of 10 years or 100,000 miles. This project provides funding for periodic replacement of the vehicle fleet.

99-03 Computer Systems

Equipment Purchase & Replacement

Priority: 2 Maintains essential District facilities.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$50,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	

Description: Provides for ongoing replacement of computer systems on a lifecycle of 3 to 5 years.

99-04 Office Equipment/Furniture

Equipment Purchase & Replacement

Priority: 2 Maintains essential district facilities.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$30,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	

Description: Provides for ongoing replacement of District office equipment and furniture.

99-05 Denniston Maintenance Dredging

Water Treatment Plants

Priority: 1 Dredging is essential to maintain storage capacity and improve the quality of water going into the Denniston Water Treatment Plant.

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$318,500	35,000	35,000	35,000	35,000	35,000	35,000	3,500	35,000	35,000	

Description: This CIP item provides funding for annual maintenance dredging of Denniston Reservoir. The budget for FY 13/14 is higher to provide for planned reestablishment of the creek channel.

NN-00 Pipeline Replacement

Pipeline Projects

Priority: 3

	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
Total Budgeted: \$1,500,000									1,500,000	1,500,000

Description: Placeholder for cost of continuing pipeline replacement.

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: June 30, 2015

Report

Date: June 25, 2015

Subject: Public Hearing to Consider Proposed Amendment of Rate and Fee Schedule to Increase Water Rates; Consideration of Resolution 2015-08 Amending the Rate and Fee Schedule

Recommendation:

- 1) Conduct a public hearing on a proposed water rate increase to be effective July 1, 2015.
- 2) Adopt Resolution 2015-08 Amending the Rate and Fee Schedule (Exhibit A).

Background:

Proposed Rate Increase

As presented in the May 2015 Board meeting, the District's rate consultant, HF&H Consultants, prepared a May 8, 2015 Water Rate Structure Update recommending a 24% overall revenue increase. Staff worked with HF&H to develop cost of service-based rates which will meet the District's Fiscal Year 2015-2016 revenue requirements. The Water Rate Structure Update, attached (Exhibit B) describes in detail the cost of service analysis supporting the proposed rates as well as the proposed realignment of the residential tiers.

HF&H notes the following in Section 1.2 in their findings and recommendations:

"The District's costs are increasing in order to implement a conservation program to comply with the Governor's Executive Order and SWRCB's Resolution 2015-0013 (adopted May 5, 2015) . . . In addition the unit cost of water supply from the SFPUC will increase approximately 30%. Even with reduced water purchases, the District's cost of SFPUC water will increase. With conservation, the District's revenue from water sales will also decrease. The combined effect of these factors will require an increase in rate revenue of \$1.9 million or 24%."

Tier Structure Realignment

The proposed changes to the residential tier structure, as recommended in the Water Rate Structure Update, will also encourage conservation. (See Exhibit C for a comparison of current and proposed tiers and rates.)

The residential tier structure is being realigned to reflect the District's reduced demand in recent years given plumbing retrofits, more efficient appliances, and increased public awareness to avoid waste. In Fiscal Year 2013-2014, the District's median winter bimonthly bill was 9 hundred cubic feet (hcf), and median summer use was 15 hcf. 67% of the District's residential bills in Fiscal Year 2013-2014 had bi-monthly usage less than 16 hcf.

According to the HF&H report, the new Tier 1 bi-monthly breakpoint of 4 hcf reflects water use for only indoor essential use. The new Tier 2 breakpoint of 16 hcf is consistent with current median summer requirements and allows a reasonable allocation for summer irrigation. The Tier 3 breakpoint of 30 hcf allows for up to two times median summer use. Use over 30 hcf, the Tier 4 breakpoint, is considered excessive.

Cost of Service Analysis

The cost of service analysis, as described in detail in the HF&H report, allocates all District operating costs to either residential or non-residential customers based on water use or capacity (equivalent meter units). Residential demand management cost components were allocated to Tiers 2 through 4, where the District focuses greater expenditures of effort and expense to reduce water use.

Given the results of the cost of service analysis, the rate increase will be applied at varying percentages across residential and non-residential customers. (See Exhibit D for sample bills.)

Other Rate and Fee Schedule Revisions

The Amended Rate and Fee Schedule also includes increases in fees for service reconnection (following shut-off for non-payment) and for unauthorized turn-on of water in order to reflect the District's current labor and other costs for providing these services. In addition, the Rate and Fee Schedule includes a new \$15 "Shut-Off Warning Notice" to cover the District's costs of providing 48 hour shut-off warning notices to customers due to non-payment. (See Exhibit E for backup support for the fee increases.)

Under a separate June 30, 2015 agenda item, staff proposes revisions to the General Regulations Regarding Water Service related to the above revisions to the Rate and Fee Schedule.

Proposition 218 Compliance

The District has complied with the public notice requirements of Proposition 218. Two ads detailing the proposed rate increase were placed in the May 20 and May 27, 2015 editions of the Half Moon Bay Review, and the notice was placed on the

District's website. Additionally the notice of the public hearing and proposed rate increase was mailed to all District customers on May 14, 2015.

The May 8, 2015 Water Rate Structure Update and the cost of service analysis were prepared in compliance with the substantive requirements of Proposition 218. Revenues derived from the water rates do not exceed the funds required to provide the service for which the rates are charged, and the amounts of the rates imposed do not exceed the proportional cost of service attributable to the property. The recommended amendments to the Rate and Fee Schedule comply with the requirements of Proposition 218 as interpreted by the courts, including the recent *Capistrano Taxpayers Association, Inc. v. City of San Juan Capistrano* decision.

Proposition 218 specifies that the District may not adopt the proposed rate increase if written protests are received from a majority of owners of affected parcels, or approximately 3300 District customers. As of the date of this report, staff has received 33 letters regarding the proposed rate increase. Copies of these letters are attached as Exhibit F.

NOTICE OF EXEMPTION

COASTSIDE COUNTY WATER DISTRICT

TO: San Mateo County
Assessor-County Clerk-Recorder
555 County Center, 1st Floor
Redwood City, CA 94063-1665

FROM: Coastside County Water District
766 Main Street
Half Moon Bay, California 94019

PROJECT TITLE: Increase of Certain District Rates and Fees

PROJECT LOCATION: Throughout the service area of the Coastside County Water District, which is within the City of Half Moon Bay and certain areas of unincorporated San Mateo County.

DESCRIPTION OF NATURE, PURPOSE AND BENEFICIARIES OF PROJECT:

The nature of the project is to amend and increase certain District rates and fees. The purpose of the project is to generate revenue for the purposes listed below. The beneficiaries of the project are the customers of the District.

NAME OF PUBLIC AGENCY APPROVING PROJECT: Coastside County Water District.

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Coastside County Water District.

EXEMPT STATUS: (Check One)

- Statutory Exemption (Public Resources Code Section 21080(b)(8)) – Meeting operating expenses; purchasing or leasing supplies, equipment or materials; meeting financial reserve needs and requirements; obtaining funds for capital projects necessary to maintain services within existing service areas.
- Ministerial (Sec. 15073)
- Declared Emergency (Sec. 15071 (a))
- Emergency Project (Sec. 15071 (b) and (c))
- Categorical Exemption (State Type and Section Number :)
- No possible significant effect on the environment (Sec. 15060)

REASON WHY PROJECT IS EXEMPT:

The project is exempt because the District's consultant, HF&H Consultants, LLC., prepared a Water Rate Structure Update and determined that certain rates and fees should be increased in order for the District (1) to meet its operating expenses; (2) to purchase or lease supplies, equipment, and materials; (3) to meet financial reserve needs and requirements; and (4) to obtain funds for capital projects necessary to maintain service within the existing service area. The HF&H Consultants Water Rate Structure Update is available at the District. The District

considered the Water Rate Structure Update in light of the District's budget and Capital Improvement Program and determined that all projects are necessary for the safe and efficient operation of the District's water system and to preserve and improve water system reliability. The District's budget and capital improvement program are available at the District. All projects to be funded by the increased rates and fees are to maintain the existing water service provided within the District's service area.

Contact Person

Area Code

Telephone

David R. Dickson

(650)

726-4405

Date: June 30, 2015

David R. Dickson, General Manager

RESOLUTION NO. 2015-08

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE COASTSIDE COUNTY WATER DISTRICT
AMENDING THE RATE AND FEE SCHEDULE
TO INCREASE WATER RATES**

THIS RESOLUTION IS ADOPTED with reference to the following facts and circumstances which are found and declared by the Board of Directors:

1. The General Manager and Finance Committee, during consideration and preparation of the budget for Fiscal Year 2015-2016, determined that financing the District's operating expenses, debt service, and capital improvement program will require an increase in water rates. California Water Code Section 31007 authorizes the District to establish rates and charges to yield an amount sufficient to pay operating expenses, to provide for repairs and depreciation of works owned and operated by the District, to pay interest on bonded debt, and to provide a fund to pay principal on bonded debt.

2. The District's financial consultant, HF&H Consultants, LLC., prepared a May 2015 "Water Rate Structure Update" that analyzed the District's revenue requirements based upon a cost of service analysis, provided a recommendation for increasing the water rates and re-alignment of the tiers, and established a rationale for the increased charges. District staff prepared a staff report and presentation for the May 12, 2015 Board of Directors meeting that summarizes the demand projections, capital and operating expenses, cost of service allocations among customer classes and tiers, proposed rate design and increases, and impacts on the District's customers. The Water Rate Structure Update, staff report, and staff presentation are incorporated into this Resolution by this reference.

3. The Board has considered the Water Rate Structure Update in light of the proposed Fiscal Year 2015-2016 budget and Fiscal Years 2015/16 to 2024/25 Capital Improvement Program and determined that the projects identified are important for the safe and efficient operation of the District's water system and to preserve and improve the reliability of the water system. The proposed Budget and Capital Improvement Program have been discussed at several Board meetings and have been available to the public since March 31, 2015 and by this reference are incorporated into this resolution.

4. The anticipated increases in expenses are attributable to a number of factors including but not limited to, increased cost of water supplied by the San Francisco Public Utilities Commission, increased costs associated with compliance with regulatory requirements, payment of capital project costs, debt service for financing of necessary capital improvements and replacement of aging facilities, higher costs for personnel, materials and services, and a decrease in water sale revenue due to the state mandated reductions in potable urban water usage.

EXHIBIT A

5. On May 12, 2015, the Board of Directors at its regular Board meeting evaluated the proposed modifications to the District's Rate and Fee Schedule and set a public hearing for June 30, 2015 to consider the modifications to the District's Rate and Fee Schedule.

6. The District prepared a notice that described the amounts, the basis for calculating, and the reasons for the increased rates and charges, and identified the date, time, and location for the public hearing on the increased rates and charges, and the procedures for submitting a protest. The District mailed the written notice to the property owners and customers in the District at least 45 days before the date of the public hearing.

7. The Board considered its options for responding to this situation at a public hearing at which the specific rate proposal enacted herein was addressed. Notice of the public hearing was provided to each parcel subject to the proposed rate increase. Notice of the public hearing was also advertised in the May 20, 2015 and May 27, 2015 editions of the Half Moon Bay Review newspaper. Additionally, the notice was placed on the District's website. At the public hearing, the Board of Directors considered all protests against the proposed rate modification, and written protests against the proposed rate increase were not presented by a majority of owners of the parcels subject to the proposed rate increase.

8. After discussion and consideration of the comments received before and at the public hearing, the Board finds the rates hereinafter set forth to be reasonable and required for the proper operation of the District.

9. The Board further finds that the amendments to the Rate and Fee Schedule and the amount of the rates hereinafter set forth does not exceed the amount of the estimated costs required to provide the services for which the rates are levied.

10. The Board further finds that the increases in rates effected by this Resolution are reasonable and required for the proper operation of the District, and are exempt from the California Environmental Quality Act, pursuant to Section 21080(b)(8) of the Public Resources Code, because they are for the purposes of (1) meeting operating expenses, (2) purchasing or leasing supplies, equipment and materials, (3) meeting financial reserve requirements, and (4) obtaining funds for capital projects necessary to maintain service within existing service areas. The analysis in this Resolution and the documents incorporated into this Resolution by reference justify that the modifications to the rates and changes are for the purposes set forth in section 21080(b)(8).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Coastside County Water District as follows:

1. Section 1.A., Base Charge, of the Rate and Fee Schedule, is amended to read as follows:

EXHIBIT A

"A. BASE CHARGE

The following base charge is the minimum charge to be paid by all customers on a bi-monthly or monthly basis (depending on the meter read cycle.) Residential customers are billed on a bi-monthly basis. Commercial customers may be billed on a monthly or bi-monthly basis depending on water usage and type of meter:

<u>Meter Size</u>	<u>Bi-Monthly Base Charge</u>	<u>Monthly Base Charge</u>
5/8 inch	\$ 47.45	\$ 23.73
5/8 inch for 2 dwelling units	\$ 94.90	\$ 47.45
3/4 inch	\$ 71.32	\$ 35.66
3/4 inch for 2 dwelling units	\$ 142.63	\$ 71.32
1.0 inch	\$ 118.87	\$ 59.44
1.5 inch	\$ 229.56	\$ 114.78
2.0 inch	\$ 380.44	\$ 190.22
3.0 inch	\$ 832.27	\$ 416.14
4.0 inch	\$2,853.84	\$1,426.92

2. Section 1.B, Quantity Charge, of the Rate and Fee Schedule is hereby amended to read as follows:

"B. QUANTITY CHARGE

In addition to the base charge set forth in Section 1.A, the following quantity charges shall be paid per one hundred cubic feet (hcf) of water delivered:

1. Residential Customers

<u>Quantity Delivered (During Bi-Monthly Billing Period)</u>	<u>Water Consumption Charge per hcf</u>
1 - 4 hcf	\$8.35
9 - 16 hcf	\$9.33
17 - 30 hcf	\$12.03
31 or more Units	\$15.94

2. All Other Customers: \$10.28 per unit

3. *Definition of Residential Customers:* for purposes of Sections 1, are single family homes, duplexes, condominiums, townhouses and all apartment buildings with individual

EXHIBIT A

meters for separate residential dwelling units. Apartment houses with a single “master meter” measuring consumption within multiple dwelling units are not “Residential Customers” for purposes of Section 1.”

3. Section 3.A, Reconnection Fee, is amended to read as follows:

“A. RECONNECTION FEE

Prior to the restoration of water service to premises where such service has been discontinued because of nonpayment or other violation of the District’s regulations, the customer shall pay a Reconnection Fee. If the service is restored during normal business hours (8:00 a.m. to 5:00 p.m., Monday-Friday, except for holidays) this fee shall be \$50.00. If the service is restored other than during normal business hours, the fee shall be \$150.00.”

4. Section 3.D, Portable Meters, of the Rate and Fee Schedule, is hereby amended to read as follows:

“D. PORTABLE METERS

Customers requesting water service through portable meters shall pay:

1. a *deposit* in an amount, as estimated by the General Manager, equal to the replacement cost of the meter.
2. a *monthly rental charge* of \$100.00.
3. a *consumption charge* of \$10.28 per hcf of water delivered.”

5. Section 3.E, Detector Check Valves, of the Rate and Fee Schedule, is hereby amended to read as follows:

“E. DETECTOR CHECK VALVES

The bi-monthly service charge for detector check valves is \$10.39 per inch of valve diameter, or \$5.20 if billed monthly. In addition, the customer must pay the actual cost of installation including the cost of the check valve. The estimated cost of installation must be deposited prior to commencement of work.”

6. Section 3.G, Transfer Requests for Water Service Connections, of the Rate and Fee Schedule, is hereby amended to read as follows:

“G. TRANSFER REQUESTS FOR WATER SERVICE CONNECTIONS

Property owners requesting the transfer of an uninstalled water service connection from one parcel to another shall submit to the District an initial deposit of \$600.00 to cover the District’s administrative and legal costs for reviewing and processing the request. If the actual cost is less than the deposit, then the unused balance will be refunded. If the actual cost exceeds the deposit, then the applicant must pay the balance. Payment of all fees required by this section shall be received before the transferee parcel will be permitted to physically connect to the water system. “

7. Section K, Incorporation of Resolution No.816, and corresponding Exhibit A, are deleted in their entirety.

8. Section 3.L, Incorporation of Resolution No. 825, of the Rate and Fee Schedule, is amended to read as follows:

“L. UNAUTHORIZED CONNECTION TO DISTRICT WATER SERVICE

It is unlawful for any person to turn on water without authorization or consent from the District. A \$150 penalty will be imposed for each violation. If the District’s facilities or property are damaged as a result of an unauthorized turn-on, the party will be charged the actual cost of labor and materials to repair the damage to the District’s facilities and property.”

9. Section 3N, Shut-Off Warning Notice Fee, is hereby added to the Rate and Fee Schedule to read as follows:

“N. SHUT-OFF WARNING NOTICE FEE

A Shut-Off Warning Notice fee of \$15 will be charged when a 48-hour Shut-Off Warning Notice due to non-payment is provided to the customer.”

10. This Resolution shall be effective for water delivered and services provided on or after July 1, 2015, and any billing for the current billing cycle that includes water delivered before the effective date shall be pro-rated.

11. The General Manager shall arrange for the Rate and Fee Schedule to be re-codified to incorporate the changes effected by this Resolution.

EXHIBIT A

12. The General Manager is directed to file a Notice of Exemption with the County Clerk and to take such other actions as may be necessary to give effect to this Resolution.

PASSED AND ADOPTED THIS 30th day of June, 2015, by the following vote of the Board:

AYES:

NOES:

ABSENT:

Chris Mickelson, President
Board of Directors

ATTEST:

David R. Dickson, General Manager
Secretary of the District

Coastside County Water District

766 Main Street, Half Moon Bay, California

Rate and Fee Schedule

July 1, ~~2014~~2015

Adopted by Resolution No. 658

Recodified as of March 27, 2001, July 25, 2001 and July 9, 2002

Incorporating Amendments made through Resolution No. 2001-03 and 2001-04, 2001-12, 2002-07, 2003-07, 2004-09, 2004-13, 2005-12, 2006-12, 2007-10, 2008-03, 2009-05, 2010-01, 2010-03, 2011-13, 2012-03, 2013-03, 2013-04, 2014-03, 2015-08

Rate and Fee Schedule

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Section 1: Water Consumption Charges

A. Base Charge

The following base charge is the minimum charge to be paid by all customers on a bi-monthly or monthly basis (depending on the meter read cycle). Residential customers are billed on a bi-monthly basis. Commercial customers may be billed on a monthly or bi-monthly basis depending on water usage and type of meter:

Size of Meter	<u>Bi-Monthly</u> Base Charge	<u>Monthly</u> Base Charge
5/8 x 3/4 inch	\$40.13 \$47.45	\$23.73
5/8 – 2 Dwelling Units	\$80.26 \$94.90	\$47.45
3/4 inch	\$60.32 \$71.32	\$35.66
3/4 - 2 Dwelling Units	\$120.64 142.63	\$71.32
1 inch	\$100.54 118.87	\$59.44
1-1/2 inch	\$194.16 229.56	\$114.78
2 inch	\$321.78 380.44	\$190.22
3 inch	\$703.94 832.27	\$416.14
4 inch	\$2,413.82 2853.84	\$1,426.92

Meters larger than 4 inches will be subject to base charges as determined by the Board of Directors.

B. Quantity Charge

In addition to the ~~bi-monthly~~ base charge set forth in Section 1A, the following quantity charges shall be paid per one hundred cubic feet (hcf) of water delivered:

1. Residential Customers

Quantity Delivered (During Bi-Monthly Billing Period)	<u>Water</u> <u>Consumption</u> Charge per hcf
0-1 - 8-4 hcf	\$6.55 8.35

9-5 - 1625 hcf	\$7,229.33
1726-30-40 hcf	\$9,3812.03
41-31 or more hcf	\$11,6115.94

2. *All Other Customers*: ~~\$8.93~~10.28 per hcf

3. *Definition of Residential Customers*: For purposes of ~~this~~ Sections 1, Residential Customers are single family homes, duplexes, condominiums, townhouses and all apartment buildings with individual meters for separate residential dwelling units. Apartment houses with a single "master meter" measuring consumption within multiple dwelling units are not "Residential Customers" for purposes of this Section 1B.

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Section 2: Fees and Charges To Establish Water Service

A. Transmission and Storage Fee

The transmission and storage fee is determined by the number and size of service connections required to provide water service to a customer, as follows:

Size of Service Connection	Fee**
5/8 x 3/4 inch	\$ 15,535 16,030
3/4 inch	\$ 23,302 24,045
1 inch	\$ 38,836 40,075
1-1/2 inch	\$ 77,673 80,151
2 inch	\$ 124,277 128,241
3 inch	\$ 271,855 280,528
4 inch	\$ 466,037 480,903

Service connections larger than 4 inches will be subject to transmission and storage fees as determined by the Board of Directors.

- ** In accordance with Resolution 2013-03, Effective July 15, 2013, July 1, 2014 and July 1, 2015, the Transmission and Storage Fee will be adjusted in accordance with the Engineering News Record Construction Cost Index (ENR CCI) for January of the current year. The new Transmission and Storage Fee for each connection size will be calculated by multiplying the then current Transmission and Storage Fee by the ratio of the current year January ENR CCI to the ENR CCI for January of the previous year.

Applicants for water service (including fire protection service) shall be charged the actual cost of labor and materials incurred by the District in installing the connection. The material costs shall include the then-current costs of corporation stops, copper tubing, meter stops, water meters, meter boxes, meter couplings, trench backfill import material, re-paving materials, off-site disposal, and any other materials utilized or out-of-pocket expenses incurred by the District in installing the connection. Labor costs shall be based on the fully burdened hourly rate for District employees who perform work directly connected to the installation.

The applicant shall be furnished a cost estimate prepared by the District, such estimate to be based on the service size and location, as shown on the application. The applicant shall deposit with the District the full amount of the cost estimate shown as attributable to the applicant before the District begins work. If the actual cost is less than the deposit, the unused balance will be

refunded. If the actual cost exceeds the deposit, the applicant must pay the balance due before water service is activated.

B. Deposit for Establishment of Credit

To establish credit with the District prior to provision of water service each customer shall pay a cash deposit of seventy-five dollars (\$75.00) or the amount which the General Manager estimates will equal an average bi-monthly bill, whichever is larger. The deposit, less the amount of any unpaid water bill, will be refunded on discontinuance of service or after the deposit has been held for 12 consecutive months during which time continuous water service has been received and all bills for such service have been paid without being delinquent.

Section 3: Other Fees, Charges and Deposits

A. Reconnection Fee

Prior to the restoration of water service to premises where such service has been discontinued because of nonpayment or other violation of the District's regulations, the customer shall pay a Reconnection Fee. If the service is restored during normal business hours (8:00 a.m. to 5:00 p.m., Monday-Friday, except for holidays) this fee shall be ~~\$2050.00~~. If the service is restored other than during normal business hours, the fee shall be ~~\$150.00~~

B. Returned Check Charge

If a customer's check is returned dishonored by the financial institution on which it is drawn, the customer shall pay an additional charge of \$25.00.

C. Meter Test Deposit

Prior to conducting a test of the accuracy of a water meter at the customer's request, the District shall require the customer to deposit the following sum:

Size of Meter	Deposit
5/8 x 3/4 inch	\$35.00
1 inch and larger	Estimated Actual Cost of Test

D. Portable Meters

Customers requesting water service through portable meters shall pay:

1. a *deposit* in an amount, as estimated by the General Manager, equal to the replacement cost of the meter:
2. a ~~bi-monthly rental charge~~ of ~~\$93.62~~\$100.00
3. a *consumption charge* of ~~\$8.93~~10.28 per ~~100 cubic feet~~ hcf of water delivered.

E. Detector Check Valves

The bi-monthly service charge for detector check valves is ~~\$8.79~~10.39 per inch of valve diameter, ~~or \$5.20 per inch, if billed monthly.~~ In addition, the customer must pay the actual cost of installation including the cost of the check valve. The estimated cost of installation must be deposited prior to commencement of work.

F. Copying Charges

1. The charge for providing copies of District records is *\$0.06 per page*, except as provided in Section F.2.
2. If a person requests *no more than three* copies (e.g., three copies of one page or one copy of a three-page document), he or she shall be provided these copies without charge. A person may not make use of this small request exception from copying charges more than one time per year.
3. If a *certified copy* is requested, there will be an additional charge of \$1.00 for each document certified.

G. Transfer Requests for Water Service Connections

Property owners requesting the transfer of an uninstalled water service connection from one parcel to another shall submit to the District an initial deposit of ~~\$500.00~~\$600.00 to cover the District's administrative and legal costs for reviewing and processing the request. If the actual cost is less than the deposit, then the unused balance will be refunded. If the actual cost exceeds the deposit, then the applicant must pay the balance. Payment of all fees required by this section shall be received before the transferee parcel will be permitted to physically connect to the water system.

~~In addition, when a meter is required to be removed by District personnel, the applicant shall pay a \$25.00 meter removal charge.~~

H. Boundary Change Request Fee

Any person who requests a change in the District Boundaries which gives rise to required filings of statements, map and/or plats pursuant to the Government Code shall be responsible for payment of the associated filing fees.

I. Relocation of Water Service Connection

When a customer requests that a water service connection be relocated to another portion of the property to which water service is already being provided, the customer shall pay the actual cost of relocating the service.

J. Reinstallation of a Water Meter Assembly

When a water meter is reinstalled in a vacant meter box, the actual cost of labor and materials, including but not limited to a new water meter and plumbing appurtenances, will be the basis for the charge for reinstallation.

~~K. [Deleted Section] Incorporation of Resolution No. 816~~

~~***The provisions of Resolution No. 816, "A Resolution Fixing the Amount of Costs and Fees for Preparing Amended Assessment Notices and Amended Assessment Diagram, Crystal Springs Water Supply Project Assessment District," establishing costs and fees for apportionment of assessments upon request of property owners in the Crystal Springs Project Assessment District are incorporated herein and summarized on Exhibit A hereto.***~~

K.

L. Incorporation of Resolution No. 825 Unauthorized Connection to District Water Service

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~~The provisions of Resolution No. 825, "Amending the General Regulations to Prohibit the Unauthorized Connection to District Water Pipes," establishing a fine of \$25.00 for an unauthorized turning on of water service, are incorporated herein.~~

It is unlawful for any person to turn on water without authorization or consent from the District. A \$150 penalty will be imposed for each violation. If the District's facilities or property are damaged as a result of an unauthorized turn-on, the party will be charged the actual cost of labor and materials to repair the damage to the District's facilities and property.

M. Delinquency Notice Fee

A fee in the amount of 10% of the amount past due shall be added to the bill of any customer that receives the notice set forth in Subsection 1 of Section K "Termination of Service" of the General Regulations Regarding Water Service and the total of said amounts shall thereafter be paid in full in order to avoid termination of service.

N. Shut-Off Warning Notice Fee

A Shut-Off Warning Notice fee of \$15 will be charged when a 48-hour Shut-Off Warning Notice due to non-payment is provided to the customer.

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Section 4: Fees and Deposits Applicable To Projects Involving Extensions of Water System

A. Initial Filing Fee

Prior to processing of the initial submittal, the Developer shall submit a filing fee with the District. This filing fee is not a deposit, and it is not subject to return to the Developer if the project is abandoned. Filing fees shall be as follows:

1. *For subdivisions of under 300 lots*, the filing fee is \$5.00 per lot; for subdivisions of 300 lots or more, the fee is \$3.00 per lot. The fee will be based on the number of lots shown on the subdivision map regardless of the date of proposed construction. The minimum fee is \$250.00.
2. *For land not subdivided* or in the process of being subdivided, the filing fee is \$25.00 per gross acre. If this land is later subdivided, full credit for the gross acreage fees will be given towards any additional fee required based on the number of lots. No refunds will be given.
3. *For industrial or commercial areas*, motels, trailer parks, multiple dwelling units, and other areas not covered in the above, the initial and minimum filing fee will be \$500.00. The Developer will be billed for any additional District costs incurred in reviewing the initial submittal in excess of this amount. District costs are defined as all costs incurred by the District including engineering, legal, and administrative.
4. *For complex projects* involving any combination of residential lots, apartments, commercial areas, etc., the filing fee will be computed as the sum of the individual types of land use as shown above.

The District reserves the right to reduce the minimum fees for projects involving only a single residential, multiple dwelling, commercial, or industrial unit for which the review if of a non-complex nature.

B. Fee for Plan Checking and Construction Inspection

After approval of the amount of the construction cost estimate, the Developer shall file with the District a fee as required in the Subdivision Agreement. This fee is to cover the cost of plan checking, construction inspection, modification of water system maps, and administrative, legal and auditing costs. The fee shall be a percentage of the approved construction cost estimate for the water system facilities: 5% for the first \$200,000 of construction costs, 3% for the incremental amounts over \$200,000. An additional 1 % fee will be charged for plan checking for each re-submittal incorporating major project modifications. The minimum fee shall be \$250.00.

C. Special Deposits

When the estimated cost of design, inspection, administration, and construction of required water development, treatment, storage and transmission or fire hydrant and detector check facilities exceeds the amount to be collected by the District in storage and transmission fees, the Developer will be required to make a special deposit to cover the cost of this work. After the construction is completed and approved by the District, the Developer will receive final refund or a statement of the balance due, amounting to the difference between the deposit and actual costs incurred by the District.

D. Non-Complex Pipeline Extensions

The fee for processing applications for water service determined by the Manager to be non-complex under Resolution No. 730 is \$150.00.

E. Incorporation of Resolution No. 730

The provisions of Resolution No. 730 "Regulations Regarding Water Service Extensions and Water System Improvements; Engineering and Construction Standards; Approved Materials" are incorporated herein and should be consulted by applicants for new water service.

Exhibit A:
Crystal Springs Water Supply Project Assessment District Apportionment Fees -
September 10, 1992

VOLUNTARY METHOD (PART 10.5)

Bond Counsel	\$250.00 for the division of one parcel into two and \$10.00 for each additional parcel to a maximum of \$550.00. (An additional charge will be made for apportionments with more than 65 new assessments, to be determined on a case by-case basis.)
Engineer-of-Work	\$550.00 for the division of one parcel into two and \$10.00 for each additional parcel (Fees for townie homes, condominiums, apartments and other multiple unit developments are computed on an individual basis.)
District Staff	\$100.00 for all administrative work to process apportionments.
San Mateo County	Recording Fees \$9.00 for the first page and \$3.00 for each additional page

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PUBLIC HEARING METHOD (PART 10)

(Same fee schedule as above plus additional fees)

Bond Counsel	\$ 0.00
Engineering	138. 00
District Staff	50.0 0
San Mateo County Recording Fees	0.00
Legal Notices	88.0 0

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EXAMPLE OF APPORTIONMENT COSTS TO SPLIT ONE PARCEL INTO TWO:

	Voluntary Method	Public Hearing Method
Bond Counsel	\$250.00	\$250.00

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Engineer-of-Work	500.00	638.00
District Staff	100.00	150.00
Recording Fees	20.00	20.00
Legal Notification	-0-	88.00
Total	\$870.00	\$1,146.00

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DERIVATION TABLE

Section	Source
1A	Resolution 633 (amending Resolution 538, Paragraph B.5.); Resolutions 711, 767, 808, 817, 834, 845, 868 and 1999-15, 2001-12, 2002-07, 2003-07, 2004-09, 2005-12, 2006-12, 2007-10, 2008-03, 2009-05, 2010-03, 2011-13, 2012-03, 2013-04, 2014-03, <u>2015-08</u>
1B	Resolution 633 (amending Resolution 538, Paragraph B.5.), Resolutions 711, 746, 767, 808, 817, 834, 845, 868 and 1999-15, 2001-12, 2002-07, 2003-07, 2004-09, 2005-12, 2006-12, 2007-10, 2008-03, 2009-05, 2010-03, 2011-13, 2012-03, 2013-04, 2014-03, <u>2015-08</u>
2A	Resolutions 627 (amending Resolution 538, Paragraph B. 1.) and 712, 2010-01, 2013-03
2B	Resolution 830
2C	Resolutions 653, 538 (Paragraph C) and 851, 2004-13
3A	Resolution 653 (amending Resolution 538, Paragraph E.6.), 2004-13, <u>2015-08</u>
3B	Resolution 653 (amending Resolution 538, Paragraph D, as amended by Resolution 552), 2004-13
3C	Resolution 437(H)
3D	Resolutions 653 (amending Resolution 538, Paragraph B.3., as amended by Resolution 554), 817, 834, 845, 868 and 1999-15, 2001-12, 2002-07, 2003-07, 2004-09, 2005-12, 2006-12, 2007-10, 2008-03, 2009-05, 2010-03, 2011-13, 2012-03, 2013-04, 2014-03, <u>2015-08</u>
3E	Resolution 538 (Paragraph B.4), <u>2015-XX</u>
3F	Resolutions 653 (amending Resolution 482, Exhibit A, Paragraph C) and 805.

	Resolution 2001-03 (amending Resolution 653 and 805, Section 3.F.1)
3G	Resolutions 538 (Paragraph D) and 851. Resolution 2001-04 (amending Resolution 538 and 851, Section 3.G.), <u>2015-08</u>
3H	Resolution 806
3I	Resolution 851 (Section 6)
3J	Resolution 851 (Section 7)
3K	Resolution 851 (Section 8), Section deleted
<u>3L</u>	<u>Resolution 851 (Section 9); 2015-08</u>
<u>3M</u>	<u>Resolution 2004-13</u>
<u>3N</u>	<u>Resolution 2015 - 08</u>
<u>4A</u>	<u>Resolution 487, Resolution 730</u>
<u>4B</u>	<u>Resolution 487, Resolution 730</u>
3L	Resolution 851 (Section 9)
3M	Resolution 2004-13
4A	Resolution 487, Resolution 730
4B	Resolution 487, Resolution 730
4C	Resolution 487, Resolution 730, Resolution 851 (Section 10)
4D	Resolution 487, Paragraph B, as amended by Resolution 630, Resolution 730
<u>4E</u>	<u>Resolution 658, Resolution 730</u>
4E	Resolution 658, Resolution 730

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COASTSIDE COUNTY WATER DISTRICT WATER RATE STRUCTURE UPDATE



May 8, 2015



HF&H Consultants, LLC

Executive Department
State of California

EXECUTIVE ORDER B-29-15

WHEREAS on January 17, 2014, I proclaimed a State of Emergency to exist throughout the State of California due to severe drought conditions; and

WHEREAS on April 25, 2014, I proclaimed a Continued State of Emergency to exist throughout the State of California due to the ongoing drought; and

WHEREAS California's water supplies continue to be severely depleted despite a limited amount of rain and snowfall this winter, with record low snowpack in the Sierra Nevada mountains, decreased water levels in most of California's reservoirs, reduced flows in the state's rivers and shrinking supplies in underground water basins; and

WHEREAS the severe drought conditions continue to present urgent challenges including: drinking water shortages in communities across the state, diminished water for agricultural production, degraded habitat for many fish and wildlife species, increased wildfire risk, and the threat of saltwater contamination to fresh water supplies in the Sacramento-San Joaquin Bay Delta; and

WHEREAS a distinct possibility exists that the current drought will stretch into a fifth straight year in 2016 and beyond; and

WHEREAS new expedited actions are needed to reduce the harmful impacts from water shortages and other impacts of the drought; and

WHEREAS the magnitude of the severe drought conditions continues to present threats beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to combat; and

WHEREAS under the provisions of section 8558(b) of the Government Code, I find that conditions of extreme peril to the safety of persons and property continue to exist in California due to water shortage and drought conditions with which local authority is unable to cope; and

WHEREAS under the provisions of section 8571 of the California Government Code, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay the mitigation of the effects of the drought.

NOW, THEREFORE, I, EDMUND G. BROWN JR., Governor of the State of California, in accordance with the authority vested in me by the Constitution and statutes of the State of California, in particular Government Code sections 8567 and 8571 of the California Government Code, do hereby issue this Executive Order, effective immediately.

Governor Brown's April 1, 2015 Executive Order declared a State of Emergency and mandates that the State Water Resources Control Board impose 25% restrictions on urban water use through February 28, 2016 compared to water use in 2013. (Page 1 shown here.)

COASTSIDE COUNTY WATER DISTRICT

766 Main Street
Half Moon Bay, CA 94019



WATER RATE STRUCTURE UPDATE

May 8, 2015

HF&H CONSULTANTS, LLC

201 North Civic Drive, Suite 230
Walnut Creek, CA 94596



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May 8, 2015

Mr. David Dickson
General Manager
Coastside County Water District
766 Main Street
Half Moon Bay, California 94019

Subject: Water Rate Structure Update

Dear Mr. Dickson:

HF&H is pleased to submit this water rate structure update of the Coastside County Water District's (District) FY 2015-16 rates. The report summarizes the analysis that was conducted to develop the proposed rates. A copy of the District staff's cost of service analysis is included in the appendix.

California is experiencing a severe drought that has led the District to declare a Stage II shortage. This report describes the development of proposed rate structure modifications that HF&H assisted the District to develop in response to Governor Brown's April 1, 2015 Executive Order B-29-15 (Order). The Order mandates a 25% statewide conservation reduction with individual reductions for each urban water agency. Directive 8 of the Order states that the State Water Resources Control Board (State Water Board) shall work with the California Department of Water Resources, the California Public Utilities Commission and other agencies to support urban water suppliers' actions to implement rates and pricing structures to encourage additional conservation. In the District's case, an additional 8% reduction is mandated starting June 1, 2015 through February 2016.

Furthermore, The State Water Board states that the Fourth District Court of Appeal's recent Decision in *Capistrano Taxpayers Association Inc. v. City of San Juan Capistrano* (G048969) does not foreclose the use of conservation-oriented rate structures.

This report is organized into three sections:

- **Findings and Recommendations** - A summary of the proposed rate structure modifications.
- **FY 2015-16 Revenue Requirement** - The total estimated costs that must be covered by rates.
- **Cost of Service Allocations** - The allocation of the revenue requirement to the residential and non-residential customers.
- **Rate Design** - The derivation of the base service charges and residential and non-residential volume charges, including customer bill impacts.

The District has demonstrated leadership in improving rate payer equity during a time when costs are increasing in compliance with regulatory mandates. It has been a privilege to assist the District with this step forward.

Very truly yours,

HF&H CONSULTANTS, LLC

John W. Farnkopf, P.E., Senior Vice President
Sima Mostafaei, C.M.A., Senior Associate

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ACRONYMS

Base Service	Refers to the costs that all customers pay, regardless of customer class, based on the size of the service connection
Base Volumetric	Represents the uniform costs of delivering water to all of the District's residential customers
FY	Fiscal Year
CCF or HCF	Hundred cubic feet of metered water sold; 748 gallons; a cube of water 4.6 feet on edge
EMU	Equivalent metered unit
GPD	Gallons per Day
GPCD	Gallons per Capita per Day
O&M	Operations and Maintenance
PAYGo	Pay-As-You-Go, in reference to funding capital improvements from cash rather than from borrowed sources of revenue
SFPUC	San Francisco Public Utilities Commission
SWRCB	State Water Resources Control Board

ACKNOWLEDGEMENTS

District Board

Chris Mickelsen, President
Arnie Glassberg, Vice President
Ken Coverdell, Board Director
Steve Flint, Board Director
Glenn Reynolds, Board Director

District Staff

Dave Dickson, General Manager
Mary Rogren, Assistant General Manager
Cathleen Brennan, Water Resource Analyst

HF&H Consultants

John Farnkopf, Sr. Vice President
Sima Mostafaei, Senior Associate

LIMITATIONS

This document was prepared solely for Coastside County Water District in accordance with the contract between the District and HF&H and is not intended for use by any other party for any other purpose.

In preparing this analysis, we relied on information and instructions from the District, which we consider to be accurate and reliable and did not independently verify.

Rounding differences caused by stored values in electronic format may exist.

This document addresses relevant laws, regulations, and court decisions but should not be relied upon as legal advice. Questions concerning the interpretation of legal authorities referenced in this document should be referred to a qualified attorney.

COASTSIDE COUNTY WATER DISTRICT



WATER RATE STRUCTURE UPDATE

SECTION 1. FINDINGS AND RECOMMENDATIONS

The proposed modifications were derived to account for the District's increased costs and for decreased revenue resulting from additional customer conservation. The modifications also adjust the residential tiered rate structure to generate the cost of serving the residential customer class.

1. **Severe drought conditions exist.** The State Water Resources Control Board (SWRCB) has mandated an 8% conservation standard for the District beginning June 1, 2015. The SWRCB will direct urban water suppliers to develop rate structures and other pricing mechanisms, including but not limited to surcharges, fees, and penalties, to maximize water conservation consistent with statewide water restrictions.
2. **A 24% revenue increase is needed.** The District's costs are increasing in order to implement a conservation program to comply with the Governor's Executive Order and SWRCB's Resolution 2015-0013 (adopted May 5, 2015):

The State Water Board calls upon urban water suppliers to ensure that adequate personnel and financial resources exist to implement conservation requirements for years 2015 and 2016, should an additional drought year occur. Water suppliers that are facing budget shortfalls due to reduced sales should take immediate steps to raise necessary revenues in a way that actively promotes conservation.

In addition, the unit cost of water supply from the SFPUC will increase approximately 30%. Even with reduced water purchases, the District's cost of SFPUC water will increase. With conservation, the District's revenue from water sales will also decrease. The combined effect of these factors will require an increase in rate revenue of \$1.9 million or 24%.

3. **Customer impacts vary because of cost of service adjustments.** The overall revenue increase of 24% applies differently to the District's base service charges and the residential and non-residential quantity charges because of adjustments in the cost of service derived by District staff. In general, the cost of service analysis shifted costs slightly away from the base service charges to the quantity charges and from the non-residential quantity charges to the residential quantity charges.
4. **Base service charges are projected to increase 18%.** The results of the cost of service analysis increased base service charges (which apply to all customers depending on size of service connection and regardless of customer class) by 18%. The current and proposed base service charges are shown in **Figure 1-1**.

Figure 1-1. Current and Proposed Base Service Charges

Meter Size	Current (Bimonthly)	Proposed (Bimonthly)
5/8"	\$40.13	\$47.45
5/8" for 2 dwelling units	\$80.27	\$94.90
3/4"	\$60.32	\$71.32
3/4" for 2 dwelling units	\$120.64	\$142.63
1"	\$100.54	\$118.87
1.5"	\$194.16	\$229.56
2"	\$321.78	\$380.44
3"	\$703.94	\$832.27
4"	\$2,413.82	\$2,853.84

5. **Residential quantity charge revenue is projected to increase 37%.** Residential tiered rates are designed to generate 37% more revenue, which is caused in part by the shift in the cost of service from the non-residential customers as well as the projected increased costs and reduced consumption. The current and projected quantity charges are shown in **Figure 1-2**.

Figure 1-2. Current and Proposed Residential Quantity Charges

	Current		Proposed			
	Bimonthly Use (HCF)	Quantity Charge (\$/HCF)	Bimonthly Use (HCF)	Base Volumetric (\$/HCF)	Demand Management (\$/HCF)	Quantity Charge (\$/HCF)
Residential Tier 1	1-8	\$6.55	1-4	\$8.35	\$0.00	\$8.35
Tier 2	9-25	\$7.22	5-16	\$8.35	\$0.98	\$9.33
Tier 3	26-40	\$9.38	17-30	\$8.35	\$3.68	\$12.03
Tier 4	41 or more	\$11.61	31 or more	\$8.35	\$7.60	\$15.94

6. **Increases in residential bills vary depending on the amount of water use.** The increases in customer bills with the proposed increases in base service charges and quantity charges ranges from 22% for use in Tier 1 (4 HCF) to 39% or more for use in Tier 4 (31 HCF).
7. **Non-residential quantity charge is projected to increase 15%.** This increase is less than the overall 24% revenue increase because of the shift in the cost of service away from non-residential to residential customers that was determined by the District staff's cost of service analysis. The uniform quantity rate structure

remains in place; the quantity charge increases from \$8.93 to \$10.28 per hundred cubic feet (HCF).

SECTION 2. FY 2015-16 REVENUE REQUIREMENT

Revenue Increases

The revenue requirements used for deriving the proposed rate modifications correspond to the draft budget under development by District staff for FY 2015-16. There are two noteworthy cost areas. First, the SFPUC's rates are increasing approximately 30% for FY 2015-16. The District's projected cost of SFPUC water incorporates the projected conservation reduction required of the District's customers to comply with the SWRCB's emergency regulations. Second, the demand management costs associated with administering and enforcing the District's Stage II conservation program are increasing to fulfill the higher level of customer service that must be provided.

To determine how much additional rate revenue is required, the projected revenue requirement is compared with the projected revenue from current rates. The revenue projection also reflects reduced demand by customers. The shortfall must be covered by an increase in revenue from the base service and quantity charges. This comparison is shown in **Figure 2-1**, which indicates a \$1,908,738 shortfall in projected FY 2015-16 rate revenue when compared with the FY 2015-16 revenue requirement.

Figure 2-1. Revenue Requirement Projections

<u>FY 15-16 Rate Revenue (under current rate structure)</u>			
Base Charges	\$ 1,740,189		
Quantity Charges			
Residential	2,924,376		
Non-residential	3,290,615		
Subtotal - Quantity Charges	\$ 6,214,991		
Total Current Rate Revenue		\$ 7,955,179	
<u>FY 15-16 Revenue Requirement</u>			
Operating Expenses	\$ 4,366,421		
Non-operating Revenue	(1,118,795)		
Electricity	457,452		
SFPUC Water	2,871,946		
Debt Service	823,913		
Contribution to Capital	1,630,000		
Subtotal	\$ 9,030,937		
Demand Management Costs	832,980		
Total Revenue Requirement		\$ 9,863,917	
Shortfall - Increased Costs		\$(1,075,758)	-14%
Shortfall - Demand Management		(832,980)	-10%
Total Revenue Shortfall		<u>\$(1,908,738)</u>	<u>-24%</u>

Rate revenue must be increased 24% in order to cover the projected shortfall because the District's reserves have diminished because of recent conservation and cannot further support rates without the projected rate increase.

The revenue requirements served as the basis for the District's cost of service analysis as described in the next section.

SECTION 3. COST OF SERVICE ALLOCATIONS

Legal Requirements

Cost of service analysis allocates the revenue requirement to customers based on proportionate measures such as the amount of capacity that is required and the level of demand. The industry practice for cost of service analysis is generally described by the American Water Works Association's rate-making Manual M-1, *Principles of Water Rates, Fees, and Charges*. This national manual provides guidance but does not prescribe a single methodology. The M1 Manual's "Overview of the Key Technical Analyses Associated With Cost-Based Rate Making" provides the following guidance:

In establishing cost-based water rates, it is important to understand that a cost-of-service methodology does not prescribe a single approach. Rather, as the First Edition of the M1 manual noted, "the (M1 Manual) is aimed at outlining the basic elements involved in water rates and suggesting alternative rules of procedure for formulating rates, thus permitting the exercise of judgment and preference to meet local conditions and requirements." [AWWA M1 Manual, *Water Rates Manual*, First Edition, 1954, p. 1.] This manual, like those before it, provides the reader with an understanding of the options that make up the generally accepted methodologies and principles used to establish cost-based rates. From the application of these options within the principles and methodologies, a utility may create cost-based rates that reflect the distinct and unique characteristics of that utility and the values of the community.¹

From its earliest days, the AWWA has recognized the need to exercise judgment in deriving reasonable rates. Reasonable rates are not arbitrary, capricious, or discriminatory. Arbitrary rates reflect choices in classifying and allocating costs for which there is no rationale. Capricious rates contain data and assumptions for which there is no factual basis. Discriminatory rates are disproportionate to the cost of providing service. The analyst may exercise judgment to ensure that rates are reasonable in each case.

California court decisions also reflect the need to exercise judgment in cost of service analysis. In affirming tiered rates during California's last major drought in 1986 through 1992, the appellate court found:

¹ *Principles of Water Rates, Fees, and Charges*. AWWA M1 Manual of Water Supply Practices, Sixth Edition, 2012, page 5.

In pursuing a constitutionally and statutorily mandated conservation program, cost allocations for services provided are to be judged by a standard of reasonableness with some flexibility permitted to account for system-wide complexity.²

The State Constitution subsequently was modified in 1996 to add Article XIID, Section 6(b)3, which requires that:

The amount of the fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel.

This requirement applies to charges determined by water rates. Cost of service analysis is the analytical technique used to establish proportional fees and charges.

Subsequent court decisions regarding the cost of service and rate design reflect the challenges in rate setting related to the need to make assumptions to make up for the lack of data and for accounting practices that may not provide sufficient detail.

Apportionment is not a determination that lends itself to precise calculation. [...] That there may be other methods favored by plaintiffs does not render defendant's method unconstitutional.³

While it is clear that the District's water measurement system is not perfect, section 6 [of Article XIID] does not require perfection.⁴

In this rate update, District staff's cost of service analysis, which services as the basis for the rate design, relied on its budgeted costs as the basis for the cost allocations. Assumptions and judgment were required in allocating costs that result in reasonable rates, similar to the assumptions and judgment that most rate studies require and that are permitted within the law.

Cost Allocations

District staff allocated the revenue requirements among three categories: costs associated with the base service charge, costs associated with the base volumetric charge, and demand management costs.

² *Brydon et al. v. East Bay Municipal Utility District et al.*, 1994.

³ *Griffith v. Pajaro Valley Water Management Agency*, 2013.

⁴ *Morgan et al. v. Imperial Irrigation District*, 2014.

- **Base service costs** - Costs associated with the base service charge relate to system capacity, and encompass debt service payments and capital contributions related to pipeline, water supply development, and other infrastructure projects.
- **Base volumetric costs** - Costs associated with the base volumetric component are considered variable costs because they vary based on the total amount of water distributed to customers throughout the system. These costs comprise the annual cost of purchased water from SFPUC, the electricity used for pumping, as well as administrative and overhead operating expenses.
- **Demand volumetric costs** - Costs attributable to demand management include personnel costs dedicated to managing demand, public outreach to high-use consumers to encourage conservation, consulting efforts addressing drought and consumption related issues, and capital improvement projects earmarked for demand management.

Base volumetric and demand management costs were allocated by District staff between the Residential and Non-residential customer classes using the following allocation factors:

- **Flow** - Costs are allocated between residential versus non-residential in proportion to total metered water consumption.
- **Equivalent Meter Units (EMUs)** - Costs are allocated in proportion to meter capacity.

Figure 3-1 presents the revenue requirements by cost category, and with respect to base volumetric and demand management costs, by customer class. The District staff’s complete cost of service analysis can be found in Appendix A of this report.

Figure 3-1. Revenue Requirements by Cost Category (FY 2015-16)

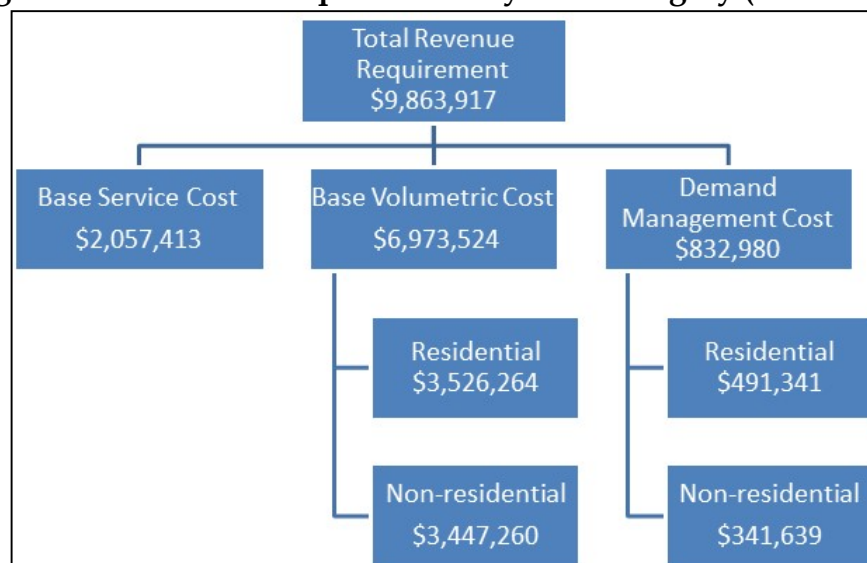


Figure 3-2 compares the revenue from current rates with the projected revenue based on the District staff’s cost of service analysis. The comparison indicates that the greatest shift occurs in the revenue generated from the non-residential quantity charge to the residential quantity charge. The analysis apportions the costs between the customer classes based on demand characteristics and volumes of water, therefore the cost allocated to each class fluctuates over time. The overall revenue increase of 24% applies differently to the District’s base service charges and the residential and non-residential quantity charges because of adjustments in the cost of service derived by District staff. Please refer to Appendix A for the District staff’s cost of service analysis.

Figure 3-2. Cost of Service Summary

	Current Revenue	Revenue Increases	Cost of Service Adjustment	Projected Revenue	Percent Change
Base Service Charges	\$ 1,740,189	\$ 235,321	\$ 81,903	\$ 2,057,413	18%
Quantity Charges					
Residential	2,924,376	886,796	206,433	4,017,605	37%
Non-residential	3,290,615	786,620	(288,336)	3,788,899	15%
Subtotal - Quantity Charge	6,214,991	1,673,416	(81,903)	7,806,504	
Total Rate Revenue	\$ 7,955,179	\$1,908,738	\$ -	\$ 9,863,917	24%

SECTION 4. RATE DESIGN

Current Rates

The District’s rate payers pay the sum of two charges for water service on a bi-monthly basis: a base service charge based on the size of the service connection plus a quantity charge based on metered water use during the billing period⁵. The current rates are summarized in **Figure 4-1**.

Figure 4-1. Current Base Service and Quantity Charges

Base Service Charge (by meter size)	Bi-monthly Charge	
5/8"	\$40.13	
5/8" for 2 dwelling units	\$80.26	
3/4"	\$60.32	
3/4" for 2 dwelling units	\$120.64	
1"	\$100.54	
1.5"	\$194.16	
2"	\$321.78	
3"	\$703.94	
4"	\$2,413.82	
Quantity Charge (\$/HCF)	Bi-monthly Use	Quantity Charge
Residential		
Tier 1	1-8	\$6.55
Tier 2	9-25	\$7.22
Tier 3	26-40	\$9.38
Tier 4	41 or more	\$11.61
Non-residential	per HCF	\$8.93

The meter charges are the same regardless of customer class. In other words, the charge for a meter of a given size is the same for all meters of that size regardless of

⁵ The District currently bills residential customers at bi-monthly intervals. The District is considering converting to monthly billing intervals. The proposed modifications can be adjusted to accommodate either time interval.

which class of customer is served. The quantity charges vary depending on the customer class. The residential quantity charges are tiered and the non-residential quantity charge is a uniform, un-tiered rate.

Residential customers pay tiered consumption charges, also referred to as “increasing block rates.” The current residential increasing block rates comprise four tiers. Residential customers pay rates for successive ranges of consumption (tier or block). The rate in each tier increases as consumption increases in proportion to the increasing cost of serving higher levels of demand, which place burdens on the capacity of the infrastructure as well as on the sources of supply. The total quantity charge is the sum of the consumption in each tier multiplied times the corresponding rate in each tier.

Proposed Rates

Base Service Charges

The current base service charges generate \$1,740,189, and need to increase by 18% in order to generate the \$2,057,413 identified by the revenue requirement and the cost of service analyses. In order to determine the bi-monthly charge by size of connection, the number of active meters are converted to equivalent meter units (EMU) as shown in **Figure 4-2**. The EMU multiplier by meter size is based on capacity and is the same multiplier used to determine the current bi-monthly base service charges. The bi-monthly service charge for one EMU of 1.00 is derived by dividing the total base service costs of \$2,057,413 by the total number of EMUs or 7,227. This quotient was then divided by six to convert from an annual charge of \$284.68 to a bi-monthly charge of \$47.45. The service charges were then graduated using the EMU multipliers, the effect of which is to increase the service charges for the larger services. Note the total FY 2015-16 revenue from base service charges in **Figure 4-2** is equal to the total base service costs presented in **Figure 3-1**.

Figure 4-2. Calculation of Proposed Bi-monthly Base Service Charges

Meter Sizes	Meter Count	EMU Multiplier	Total EMUs	Base Charge (Proposed)	FY15-16 Revenue
5/8"	5,902	1.00	5,902	\$47.45	\$1,680,296
5/8" for 2 dwelling units	15	2.00	30	\$94.90	\$8,541
3/4"	178	1.50	268	\$71.32	\$76,166
3/4" for 2 dwelling units	2	3.01	6	\$142.63	\$1,712
1"	170	2.51	426	\$118.87	\$121,247
1.5"	24	4.84	116	\$229.56	\$33,056
2"	36	8.02	289	\$380.44	\$82,174
3"	4	17.54	70	\$832.27	\$19,974
4"	2	60.14	120	\$2,853.84	\$34,246
	<u>6,333</u>		<u>7,227</u>		<u>\$2,057,413</u>

The total \$2,057,413 in projected revenue from base service charges is 21% of the total rate revenue. As an industry practice and as a guideline of the California Urban Water Conservation Council, it is desirable to cap the revenue from fixed charges like the base service charges at no more than 30%. At this level, customer bills respond to conservation sufficiently to reward efficient use and discourage inefficiency. It is noted that revenue stability is adversely affected as fixed charge revenue is reduced and more revenue is recovered from the volumetric charge; however, there is significant revenue generated by non-seasonal water use, which in combination with the revenue from fixed charges can approach the utility's fixed costs which are at least 70% to 80% of the total costs. Nonetheless, it is critical for the District to monitor its fund balance.

Residential Quantity Charges

Quantity charges are derived for the residential and non-residential customers by dividing their projected metered water use into their respective portions of the revenue requirement. **Figure 4-3** summarizes the projected consumption by fiscal year and by customer class. The quantity projections are consistent with The State Board's emergency regulations, which mandate an 8% overall cutback starting June 1, 2015.

Figure 4-3. Water Consumption by Customer Class

	FY 2013-14 Actual (HCF)	FY 2014-15 Estm Actual (HCF)	FY 2015-16 Projected (HCF)
<u>Residential</u>			
Tiered Charges	514,586	442,659	422,414
% Change		-14%	-5%
<u>Non-residential</u>			
Uniform Charge	406,790	386,364	368,610
% Change		-5%	-5%
<u>Total</u>			
District-wide Consumption	921,376	829,023	791,024
% Change		-10%	-5%

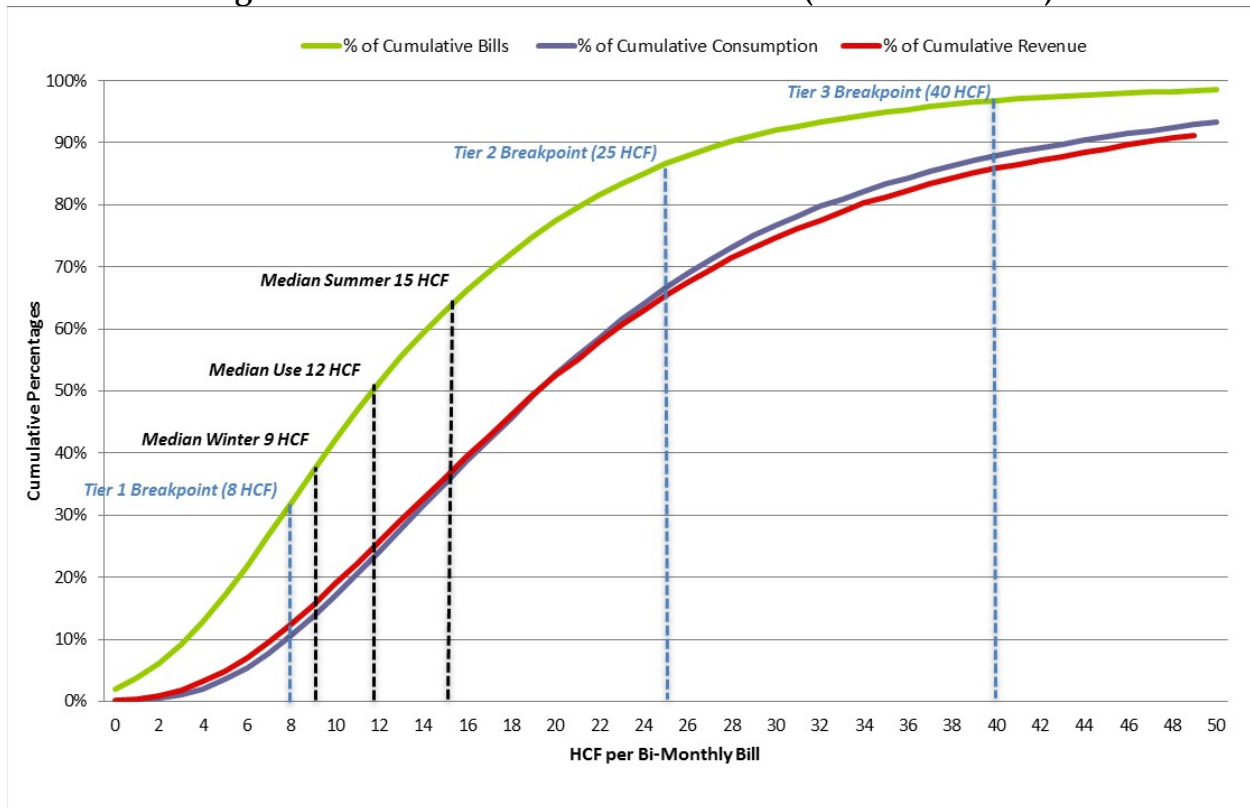
Residential Tiered Quantity Charge

Designing tiered rates involves two steps: (1) determining the “breakpoints” between tiers where the rate per tier changes and (2) determining the price or rate per tier. The quantity charge breakpoints were derived using FY 2014-14 actual customer meter readings in HCF, and subsequently factoring down the consumption to the projected FY 2015-16 consumption based on estimated cutbacks provided by District staff.

The District’s current residential tier structure contains three breakpoints that form four tiers. Using customer billing data, it is possible to identify logical breakpoints for separating one tier from the next. Statistical parameters can also be calculated to identify breakpoints, such as median winter and summer demand. Because customers are billed bi-monthly, the lowest and highest two billing periods were used for calculating the winter and summer medians, respectively. The results yielded a winter median of 9 HCF, and a summer median of 15 HCF per bi-monthly billing period.

Figure 4-4 is a bill distribution curve that cumulatively plots bills from smallest to largest based on the individual customer bills for FY 2014-14 based on the District’s customer billing data. With a bill distribution curve it is possible to determine the number of bills and associated water and revenue across the range of consumption. The median value for all bills at 50% on the y-axis indicates that half of the total bills are 12 HCF. Bills up to 20 HCF represent 50% of the water and bills up to 20 HCF represent 50% of the revenue.

Figure 4-4. Residential Bill Distribution (FY 2014-14 Data)



Median values are useful in rate design. For example, the winter median of 9 HCF means that half of the bills in the lowest bi-monthly billing period in the year were below 9 HCF and half were above. The District’s current Tier 1 breakpoint (8 HCF) is close to the winter median bill. The current breakpoints for Tiers 2 and 3 (25 and 40 HCF, respectively) are greater than the 15 HCF summer median bill, indicating that the upper tiers provide for significant additional water use, which is primarily irrigation. During a drought emergency, irrigation needs to be targeted so that rates can be set accordingly.

Upon review with District staff, it is proposed that the breakpoints should be modified to align with the District’s reduced demand. It is recommended that the current Tier 1 breakpoint of 8 HCF be reduced by half to 4 HCF (50 gallons per day [GPD]), approximately half of the winter median. This is a very low level of demand that provides little if any water for irrigation in a small household. It is District staff’s intention to set the Tier 1 breakpoint at a level that provides water for only indoor essential uses.

The current Tier 2 breakpoint of 25 HCF reflects water demands from several years ago. Since that time, water use has gradually declined as plumbing retrofits have replaced water using appliances with more efficient appliances. The public’s general awareness

of the need to avoid waste has also become stronger. In effect, times have changed under years of normal water supply such that a breakpoint of 25 HCF exceeds non-drought water needs for conserving households.

The current summer median water use of 15 HCF reflects not only long-term gradual reductions in per capita water use but conservation efforts during the drought. It is District staff’s intention to set the Tier 2 breakpoint at 16 HCF consistent with current needs, including a reasonable allocation for summer irrigation.

The current Tier 3 breakpoint is so high compared to current water use that only 3% of bills fall in this tier, which has virtually no practical effect (see **Figure 4-4**). District staff chose 30 HCF as the breakpoint, which is approximately two times the summer median, a very generous amount during times of drought.⁶

Figure 4-5 compares the current tier structure with the proposed tier structure.

Figure 4-5. Current and Proposed Residential Tier Structures (Bi-monthly)

Tier Breakpoints	Current Tier Structure	Proposed Tier Structure
Tier 1	0-8 units	0-4 units
Tier 2	9-25 units	5-16 units
Tier 3	26-40 units	17-30 units
Tier 4	Over 40 units	Over 30 units

Residential Price per Tier

The prices or rates per tier were derived to recover the cost of providing service to the residential customer class, which in total is \$4,017,604. This cost comprises two components that were calculated in the District staff’s cost of service analysis: (1) base volumetric component of \$3,526,264 and (2) demand management component of \$491,341 (refer to **Figure 2-2**). Each component was analyzed separately and combined to form the price per tier.

The base volumetric component represents the uniform costs of delivering water to all of the District’s residential customers; therefore a uniform base volumetric rate was calculated by dividing the cost allocation of \$3,526,264 by total projected residential water demand for FY 2015-16 of 422,414 HCF. **Figure 4-6** presents the revenue associated with the residential base volumetric component of \$8.35 per HCF for FY 2015-16:

⁶ We note that the recommended breakpoints do not correspond exactly with half of the winter median (4.5 HCF) for the Tier 1 breakpoint or the summer median (15 HCF) for the Tier 2 breakpoint. Instead, District staff chose values that could be evenly divided by two if the billing period were reduced from bi-monthly to monthly, which is being considered.

Figure 4-6. Total Revenue from Residential Base Volumetric Component

	FY 2015-16 Projected HCF	Base Volumetric \$/HCF	Base Volumetric Revenue
<u>Residential Breakpoints</u>			
1-4	127,674	\$8.35	\$ 1,065,808
5-16	231,115	\$8.35	1,929,322
17-30	55,671	\$8.35	464,735
31 or more	7,954	\$8.35	66,399
Total Residential	422,414		\$ 3,526,264

The demand management component of \$491,341 is allocated to higher tiers only because higher users require greater levels of outreach and management to encourage conservation. As a result, no demand management costs are assigned to Tier 1 users. District staff reviewed the line items in the demand management budget and allocated each item to Tiers 2, 3, and 4 as summarized in **Figure 4-7** using the following allocation methodologies:

- For program management costs associated with demand management, District staff allocated the cost across Tiers 2, 3, and 4 based upon projected consumption (in HCF) within each of the respective tiers;
- For public outreach and consulting costs, District staff allocated the costs across Tiers 2, 3, and 4 by allocating 20% of costs to Tier 2; 60% of costs to Tier 3 and the remainder to Tier 4, as costs in these respective categories are largely targeted toward Tier 3 users. Less than 2% of the water is in the top tier, whilst Tier 3 currently houses 13% of total demand; this is indicative of the level of conservation effort required to further cut back customer bills from Tier 3 to lower tiers. Previous conservation efforts have been effective in reducing most customer use from Tier 4 to lower tiers.

Figure 4-7. Calculation of Residential Demand Management Component

Residential Breakpoints	Demand Management Costs	Projected HCF	Demand Management \$/HCF
1-4	\$ -	127,674	\$0.00
5-16	226,053	231,115	\$0.98
17-30	204,868	55,671	\$3.68
31 or more	60,420	7,954	\$7.60
Total Residential	\$491,341	422,414	

Figure 4-8 summarizes the revenue generated by the base volumetric and demand management components for the residential customer class; the sum of the base volumetric and demand management component by tier comprise the quantity charge.

Figure 4-8. Total Revenue from Residential Quantity Charge

	FY 2015-16 Projected HCF a	Base Volumetric \$/HCF b	Demand Management \$/HCF c	Quantity Charge \$/HCF b+c	Base Volumetric Revenue a*b	Demand Management Revenue a*c	Quantity Charge Revenue a*(b+c)
1-4	127,674	\$8.35	\$0.00	\$8.35	\$ 1,065,808	\$ -	\$ 1,065,808
5-16	231,115	\$8.35	\$0.98	\$9.33	1,929,322	226,052	2,155,374
17-30	55,671	\$8.35	\$3.68	\$12.03	464,735	204,868	669,603
31 or more	7,954	\$8.35	\$7.60	\$15.94	66,399	60,420	126,819
Total Residential	422,414				\$ 3,526,264	\$ 491,340	\$ 4,017,604

Residential Tier Structure

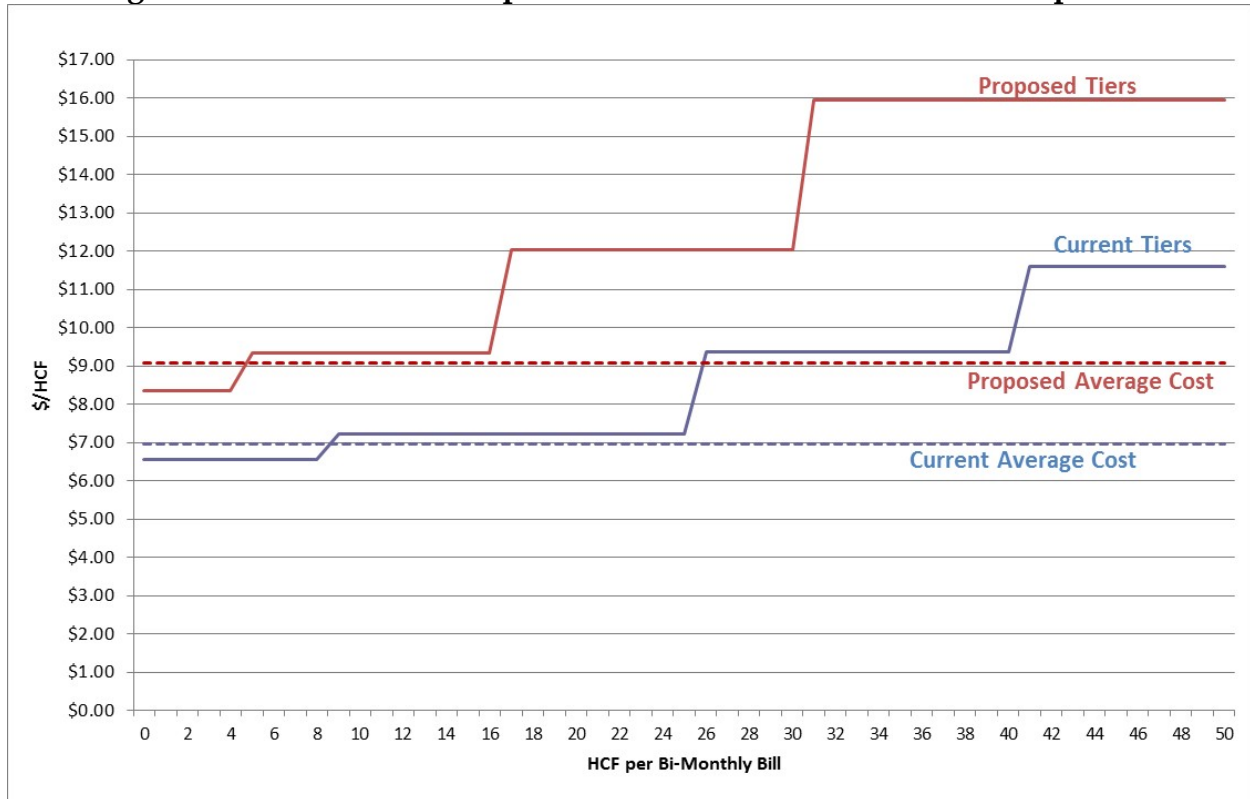
The proposed tier structure is compared with the current tier structure in Figure 4-9. In general, the proposed breakpoints are less and the prices are higher. With smaller tiers, demand is charged a higher rate sooner. The rates themselves are also higher, which compounds the price signal to customers.

Figure 4-9 also shows the average cost for the current and proposed rate structures. The average cost is simply the total volumetric revenue requirement divided by the total demand and in effect represents that uniform rate for an un-tiered structure.⁷ Comparing the tiered rates with the average cost indicates the slight reduction in cost

⁷ The average cost or uniform rate could be charged by the District instead of its tiered rates. Uniform rates are another acceptable rate structure. However, uniform rates are less precise in representing the cost of serving customers across a wide range of consumption. Analysis indicates that the unit cost of serving low demands is less than the unit cost of serving high demands. For that reason, the District employs tiered rates.

that demand in Tier 1 receives and the successive increases in cost that occur in Tiers 2, 3, and 4, which reflects the proportionate cost of serving above-average demands.

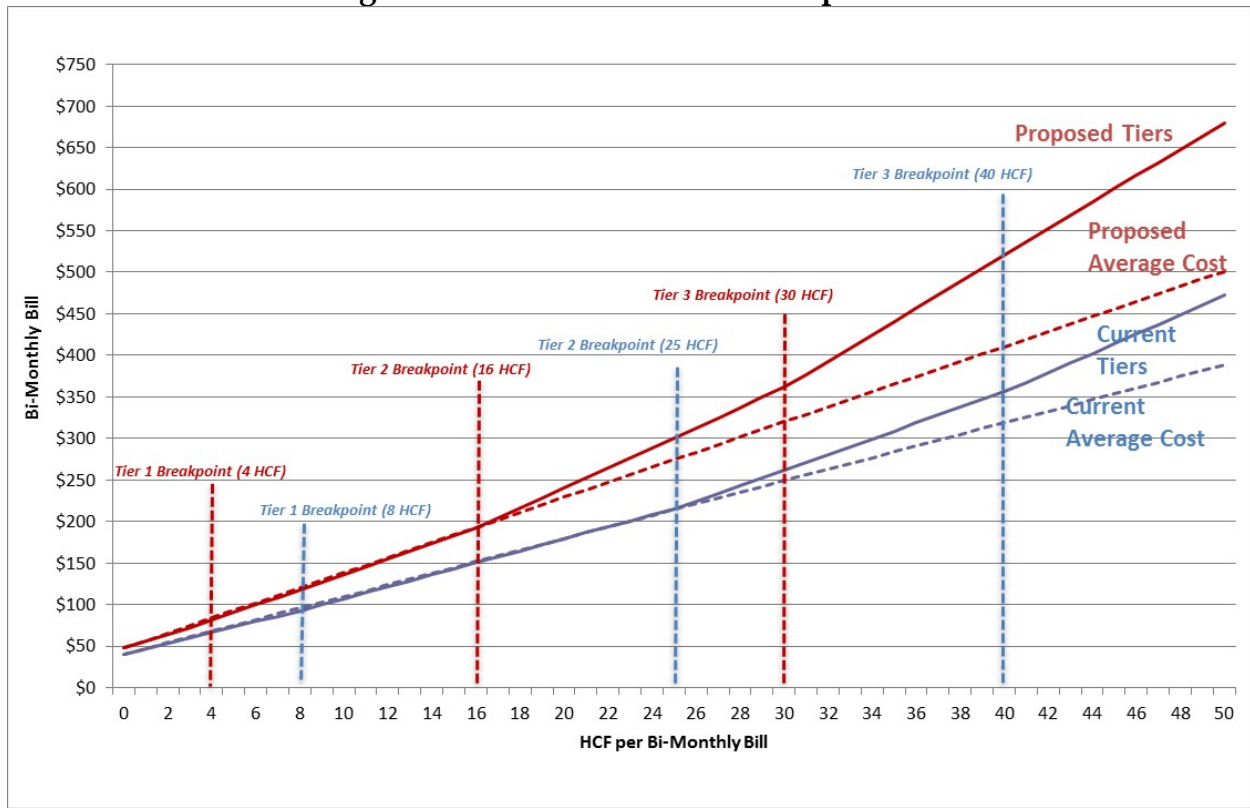
Figure 4-9. Current and Proposed Residential Tier Structure Comparison



Residential Bill Comparison

Figure 4-10 compares the residential customer bills for the current and proposed rates across a range of consumption. The bills include both the base service charges and the quantity charges. Comparing the bills under the tiered structures with the average cost “bills” shows the influence of the tier structure that reflects the higher unit cost of serving higher demands.

Figure 4-10. Residential Bill Comparison



Under both the current and proposed structures, it is noteworthy that customer bills fairly closely track the average cost passing through Tier 2 into Tier 3. Until then, when the prices per tier are below or slightly above the average cost, there is very little difference. In Tier 3, however, the rate is significant above the average cost, leading to bills that become increasing greater compared to the average cost. The values plotted in **Figure 4-10** are also shown in tabular format in **Figure 4-11**.

Figure 4-11. Residential Current and Proposed Bill Comparison

Bimonthly (HCF)	Current Bills	Proposed Bills	Change (\$)	Change (%)
0	\$40.13	\$47.45	\$7.32	18%
1	\$46.68	\$55.80	\$9.12	20%
2	\$53.23	\$64.15	\$10.92	21%
3	\$59.78	\$72.50	\$12.72	21%
4	\$66.33	\$80.85	\$14.52	22%
5	\$72.88	\$90.18	\$17.30	24%
6	\$79.44	\$99.51	\$20.07	25%
7	\$85.99	\$108.84	\$22.85	27%
8	\$92.54	\$118.17	\$25.63	28%
9	\$99.75	\$127.50	\$27.75	28%
10	\$106.97	\$136.83	\$29.86	28%
11	\$114.18	\$146.16	\$31.98	28%
12	\$121.40	\$155.49	\$34.09	28%
13	\$128.62	\$164.82	\$36.20	28%
14	\$135.83	\$174.15	\$38.32	28%
15	\$143.05	\$183.48	\$40.43	28%
16	\$150.26	\$192.81	\$42.55	28%
17	\$157.48	\$204.84	\$47.36	30%
18	\$164.70	\$216.87	\$52.17	32%
19	\$171.91	\$228.90	\$56.99	33%
20	\$179.13	\$240.93	\$61.80	35%
21	\$186.34	\$252.96	\$66.62	36%
22	\$193.56	\$264.99	\$71.43	37%
23	\$200.77	\$277.02	\$76.25	38%
24	\$207.99	\$289.05	\$81.06	39%
25	\$215.21	\$301.08	\$85.87	40%
26	\$224.59	\$313.11	\$88.52	39%
27	\$233.98	\$325.14	\$91.16	39%
28	\$243.36	\$337.17	\$93.81	39%
29	\$252.75	\$349.20	\$96.45	38%
30	\$262.13	\$361.23	\$99.10	38%
31	\$271.52	\$377.17	\$105.65	39%
32	\$280.90	\$393.11	\$112.21	40%
33	\$290.29	\$409.05	\$118.76	41%
34	\$299.67	\$424.99	\$125.32	42%
35	\$309.05	\$440.93	\$131.88	43%
36	\$318.44	\$456.87	\$138.43	43%
37	\$327.82	\$472.81	\$144.99	44%
38	\$337.21	\$488.75	\$151.54	45%
39	\$346.59	\$504.69	\$158.10	46%
40	\$355.98	\$520.63	\$164.65	46%

Non-Residential Uniform Quantity Charges

The current non-residential quantity charge is a uniform rate structure. Tiered rate structures for non-residential customers are complex because non-residential customers are not as homogeneous as the residential customer class. Hence, uniform rate structures are more common for non-residential customers.

The uniform rate was calculated to generate the cost of service for non-residential customers, which also has a base volumetric and demand management component based on the District staff's cost of service analysis (summarized in **Figure 2-3**). The uniform rate of \$10.28 per HCF was calculated by dividing the total cost allocation of \$3,788,899 by total projected non-residential water demand for FY 2015-16 of 368,610 HCF. This rate includes the base volumetric and demand management components, which did not need to be treated as components in the calculation because the rate structure is not tiered. In effect, the cost of service, including the demand management component costs, is distributed evenly across the range of consumption.

APPENDIX A: COST OF SERVICE ANALYSIS

Coastside County Water District
 Cost of Service Analysis - Recap

Summary	Base	Volumetric	Total	Current Revenue	% Change
Non-Residential	\$ 390,930	\$ 3,788,899	\$ 4,179,829	\$ 3,621,251	15%
Residential	\$ 1,666,483	\$ 4,017,605	\$ 5,684,088	\$ 4,333,929	31%
Total Revenue	\$ 2,057,413	\$ 7,806,504	\$ 9,863,916	\$ 7,955,180	24%
Revenue Requirement (based on costs)			\$ 9,863,916		

Residential

	COS Allocation	Historical allocation **
Base Charge	\$ 1,661,702	\$ 1,747,756
Volumetric	\$ 4,017,605	\$ 3,626,040
	\$ 5,679,306	\$ 5,373,796

Non Residential

	COS Allocation	Historical allocation **
Base Charge	\$ 395,711	\$ 409,968
Volumetric	\$ 3,788,899	\$ 4,080,153
	\$ 4,184,610	\$ 4,490,121

Total

	COS Allocation	Historical allocation **	Variance
Base Charge	\$ 2,057,413	\$ 2,157,723	\$ (100,311)
Volumetric	\$ 7,806,504	\$ 7,706,193	\$ 100,311
	\$ 9,863,916	\$ 9,863,916	

Analysis shows what costs should proportionately be allocated to Non-Residential vs. Residential based upon an updated cost of service analysis

**Note: Historical allocation assumes keeping the same proportion of residential vs. non-residential and applying same % increase across base and tiers.

Recap - Residential Quantity Charge

	Rev Req't	HCF	\$/HCF		
Residential Base Volumetric Calculation	\$ 3,526,264	422,414	\$ 8.35		
Breakpoints	4	16	30	30+	Total
HCF per tier	127,674	231,115	55,671	7,954	422,414
\$/HCF					
Base Volumetric	\$ 8.35	\$ 8.35	\$ 8.35	\$ 8.35	
Demand Mgmt		\$ 0.98	\$ 3.68	\$ 7.60	
Quantity Charge	\$ 8.35	\$ 9.33	\$ 12.03	\$ 15.94	
Revenue:					
Base Volumetric	\$ 1,065,808	\$ 1,929,322	\$ 464,735	\$ 66,399	\$ 3,526,264
Demand Mgmt		\$ 226,052	\$ 204,868	\$ 60,420	\$ 491,340
Quantity Charge	\$ 1,065,808	\$ 2,155,374	\$ 669,603	\$ 126,819	\$ 4,017,605
Recap - Residential - Base Service Charges					
Current Base Revenue					\$ 1,409,553
					18%
Proposed Base Revenue					\$ 1,666,483

Recap - Non Residential -Quantity Charge

Budgeted hcf	Current/hcf	Proposed/hcf	% Increase	Total
368,610	\$ 8.93	\$ 10.28	15%	\$ 3,788,899
Recap - Non-residential - Base Service Charges				
Current Base Revenue				\$ 330,636
				18%
Proposed Base Revenue				\$ 390,930

Residential Sample

Bi-Monthly Bills

	Base	3 hcf	5 hcf	8 hcf	16 hcf	30 hcf	40 hcf
Current Rates	\$ 40.13	\$ 59.78	\$ 72.88	\$ 92.53	\$ 150.29	\$ 262.17	\$ 355.97
Proposed Rates	\$ 47.45	\$ 72.50	\$ 90.17	\$ 118.15	\$ 192.76	\$ 361.15	\$ 520.59
% change from current rates	18.3%	21.3%	23.7%	27.7%	28.3%	37.8%	46.2%
\$ change from current rates	\$ 7.32	\$ 12.72	\$ 17.29	\$ 25.62	\$ 42.47	\$ 98.98	\$ 164.62

CCWD - FY2015-16 Budget Draft

Draft: 5/7/2015

Account Number	Description	Proposed Budget FY 15/16	Volumetric Demand Management/ Conservation			Non-Residential			Residential			Demand Mgmt/Conservation Allocation			Assumption	
			Volumetric	Base Charge	Management/ Conservation	Volumetric	Base Charge	Volumetric Demand Management/ Conservation	Volumetric	Base Charge	Volumetric Demand Management/ Conservation	Tier 2 Allocation	Tier 3 Allocation	Tier 4 Allocation		
	Projected Usage (hcf)															
						368,610	368,610	368,610	422,414	422,414	422,414	231,115	55,671	7,954		
	Projected Usage %					47%	47%	47%	53%	53%	53%	78%	19%	3%		
	Meter EMUs %					1,390	1,390	1,390	5,837	5,837	5,837					
	Meter EMUs %					19%	19%	19%	81%	81%	81%					
NON-OPERATING REVENUE																
4170	Hydrant Sales	\$40,000														
4180	Late Penalty	\$90,000														
4230	Service Connections	\$10,000														
4920	Interest Earned	\$2,550														
4930	Property Taxes	\$600,000														
4950	Miscellaneous	\$37,000														
4955	Cell Site Lease Income	\$139,245														
4965	ERAF Refund	\$200,000														
	Total Non-Operating Revenue	\$1,118,795	(1,118,795)													
TOTAL REVENUES																
OPERATING EXPENSES																
Source of Supply																
5130	Water Purchased	\$2,871,946	2,871,946													
Pumping (Electrical)																
5230	Electrical Exp. Nunes WTP	\$29,500														
5231	Electrical Expenses, CSP	\$307,052														
5232	Electrical Expenses/Trans. & Dist.	\$12,800														
5233	Elec Exp/Picatos Cyn	\$18,000														
5234	Electrical Exp., Denn	\$90,100														
	Subtotal Pumping (Electrical)	\$457,452	457,452													
Transmission & Distribution																
5235	Denn. WTP Oper.	\$30,000	30,000													
5236	Denn WTP Maint	\$32,000	32,000													
5240	Nunes WTP Oper	\$52,764	52,764													
5241	Nunes WTP Maint	\$55,500	55,500													
5242	CSP - Operation	\$6,500	6,500													
5243	CSP - Maintenance	\$37,000	37,000													
5250	Laboratory Expenses	\$40,000	40,000													
5412	Maintenance Expenses	\$268,500	268,500													
5415	Maintenance, Wells	\$40,000	40,000													
	Subtotal Trans & Distribution	\$564,264														
Personnel																
5411	Salaries - Field	\$1,118,506	1,118,688	\$ 14,818	Flow	\$ 514,309	\$ -	\$ 6,905	\$ 589,380	\$ -	\$ 7,913	\$ 6,205	\$ 1,495	\$ 214	% of total (no alloc to Tier 1)	
5610	Salaries, Admin.	\$1,061,780	813,061	\$ 248,720	Flow	\$ 378,879	\$ -	\$ 115,901	\$ 434,182	\$ -	\$ 132,818	\$ 104,147	\$ 25,087	\$ 3,584	% of total (no alloc to Tier 1)	
5684	Payroll Taxes	\$153,056	134,556	\$ 18,500	Flow	\$ 62,702	\$ -	\$ 8,621	\$ 71,854	\$ -	\$ 9,879	\$ 7,747	\$ 1,866	\$ 267	% of total (no alloc to Tier 1)	
5640	Employee Retirement	\$305,322	444,243	\$ 61,080	Flow	\$ 207,013	\$ -	\$ 28,463	\$ 237,230	\$ -	\$ 32,617	\$ 25,576	\$ 6,161	\$ 880	% of total (no alloc to Tier 1)	
5635	Ee/Ret Medical Insurance	\$527,457	463,702	\$ 63,755	Flow	\$ 216,081	\$ -	\$ 29,709	\$ 247,621	\$ -	\$ 34,046	\$ 26,696	\$ 6,431	\$ 919	% of total (no alloc to Tier 1)	
5645	SIP 401a Plan	\$30,000	30,000		Flow	\$ 13,980	\$ -	\$ -	\$ 16,020	\$ -	\$ -	\$ -	\$ -	\$ -		
	Subtotal - Personnel	\$3,396,121														
Other - Administrative and General																
5318	Studies/Surveys/Consulting	\$240,000	95,000	\$ 145,000	Flow	\$ 44,269	\$ -	\$ 67,569	\$ 50,731	\$ -	\$ 77,431	\$ 15,486	\$ 46,459	\$ 15,486	20/60/20 (no alloc to Tier 1) - Assumes most of demand management spend is attributable to use in Tiers 3-4	
5321	Water Conservation	\$37,000	-	\$ 37,000	Flow	\$ -	\$ -	\$ 17,242	\$ -	\$ -	\$ 19,758	\$ 3,952	\$ 11,855	\$ 3,952	20/60/20 (no alloc to Tier 1) - Assumes most of demand management spend is attributable to use in Tiers 3-4	
5322	Community Outreach	\$95,100	23,775	\$ 71,325	Flow	\$ 11,079	\$ -	\$ 33,237	\$ 12,696	\$ -	\$ 38,088	\$ 7,618	\$ 22,853	\$ 7,618	20/60/20 (no alloc to Tier 1) - Assumes most of demand management spend is attributable to use in Tiers 3-4	
5327	Water Resources	\$0														
5414	Motor Vehicle Exp.	\$55,650	52,868	\$ 2,783	Flow	\$ 24,636	\$ -	\$ 1,297	\$ 28,232	\$ -	\$ 1,486	\$ 1,165	\$ 281	\$ 40	% of total (no alloc to Tier 1)	
5620	Office Expenses	\$164,475	164,475		Flow	\$ 76,644	\$ -	\$ -	\$ 87,831	\$ -	\$ -	\$ -	\$ -	\$ -		
5621	Computer Services	\$103,800	103,800		Flow	\$ 48,370	\$ -	\$ -	\$ 55,430	\$ -	\$ -	\$ -	\$ -	\$ -		
5625	Meetings/Training/Seminars	\$24,000	24,000		Flow	\$ 11,184	\$ -	\$ -	\$ 12,816	\$ -	\$ -	\$ -	\$ -	\$ -		
5630	Insurance	\$115,000	115,000		Flow	\$ 53,589	\$ -	\$ -	\$ 61,411	\$ -	\$ -	\$ -	\$ -	\$ -		
5681	Legal	\$60,000	60,000		Flow	\$ 27,959	\$ -	\$ -	\$ 32,041	\$ -	\$ -	\$ -	\$ -	\$ -		
5682	Engineering	\$14,000	14,000		Flow	\$ 6,524	\$ -	\$ -	\$ 7,476	\$ -	\$ -	\$ -	\$ -	\$ -		
5683	Financial Services	\$24,000	24,000		Flow	\$ 11,184	\$ -	\$ -	\$ 12,816	\$ -	\$ -	\$ -	\$ -	\$ -		
5687	Memberships & Subscriptions	\$71,290	71,290		Flow	\$ 33,220	\$ -	\$ -	\$ 38,070	\$ -	\$ -	\$ -	\$ -	\$ -		
5688	Election Expense	\$25,000	25,000		Flow	\$ 11,650	\$ -	\$ -	\$ 13,350	\$ -	\$ -	\$ -	\$ -	\$ -		
5689	Union Expenses	\$6,000	6,000		Flow	\$ 2,796	\$ -	\$ -	\$ 3,204	\$ -	\$ -	\$ -	\$ -	\$ -		
5700	County Fees	\$17,700	17,700		Flow	\$ 8,248	\$ -	\$ -	\$ 9,452	\$ -	\$ -	\$ -	\$ -	\$ -		
5705	State Fees	\$16,000	16,000		Flow	\$ 7,456	\$ -	\$ -	\$ 8,544	\$ -	\$ -	\$ -	\$ -	\$ -		
	Subtotal - Admin & General	\$1,069,015														
Total Operating Expenses																
CAPITAL ACCOUNTS																
5712	Existing Bonds - 2006B	\$485,889		\$ 485,889	EMU	\$ -	\$ 93,453	\$ -	\$ -	\$ 392,436	\$ -	\$ -	\$ -	\$ -		
5715	Existing Bond-CIEB 11-099	\$338,024		\$ 338,024	EMU	\$ -	\$ 65,014	\$ -	\$ -	\$ 273,010	\$ -	\$ -	\$ -	\$ -		
	Total Capital Accounts	\$823,913														
TOTAL REVENUE LESS TOTAL EXPENSE																
5713	Cont. to CIP & Reserves	\$1,800,000	396,500	\$ 1,233,500	\$ 170,000	EMU	\$ 76,261	\$ 237,244	\$ 32,697	\$ 320,239	\$ 996,256	\$ 137,303	\$ 27,461	\$ 82,382	\$ 27,461	20/60/20 (no alloc to Tier 1) - Assumes most of demand management spend is attributable to use in Tiers 3-4
			\$9,863,916	\$ 6,973,524	\$ 2,057,413	\$ 832,980	\$ 3,447,260	\$ 395,711	\$ 341,639	\$ 3,526,264	\$ 1,661,702	\$ 491,340	\$ 226,052	\$ 204,868	\$ 60,420	
			\$9,863,916	\$ 2,057,413		\$3,788,899		\$4,017,605								

Updated: 5/7/2015 5:56 PM



HF&H Consultants, LLC
201 N. Civic Drive, Suite 230
Walnut Creek, CA 94596

Current and Proposed Rates

Base Service Charge			
Meter Size	Current	Proposed	
	(Bimonthly)	(Bimonthly)	
5/8"	\$40.13	\$47.45	
5/8" for 2 dwelling units	\$80.26	\$94.90	
3/4"	\$60.32	\$71.32	
3/4 inch for 2 dwelling units	\$120.64	\$142.63	
1"	\$100.54	\$118.87	
1.5"	\$194.16	\$229.56	
2"	\$321.78	\$380.44	
3"	\$703.94	\$832.27	
4"	\$2,413.82	\$2,853.84	
Quantity Charge			
	Current	Proposed	
	Quantity Charge	Bimonthly HCF	Quantity Charge
Residential			
Tier 1	\$6.55	1-4	\$8.35
Tier 2	\$7.22	5-16	\$9.33
Tier 3	\$9.38	17-30	\$12.03
Tier 4	\$11.61	31 or more	\$15.94
Non-Residential			
	\$8.93	per HCF	\$10.28



Bimonthly Bill Comparisons

Residential (5/8" meter)				
	Base	6 hcf	12 hcf	24 hcf
Current Rates	\$40.13	\$ 79.43	\$ 121.41	\$ 208.05
Proposed Rates	\$47.45	\$ 99.49	\$ 155.45	\$288.98
<i>% change from current rates</i>	<i>18%</i>	<i>25%</i>	<i>28%</i>	<i>39%</i>
<i>\$ change from current rates</i>	<i>\$7.32</i>	<i>\$20.06</i>	<i>\$34.04</i>	<i>\$80.92</i>
Non-Residential (1" meter)				
	Base	13 hcf	26 hcf	52 hcf
Current Rates	\$100.54	\$216.63	\$332.72	\$564.90
Proposed Rates	\$118.87	\$252.51	\$386.15	\$653.43
<i>% change from current rates</i>	<i>18%</i>	<i>17%</i>	<i>16%</i>	<i>16%</i>
<i>\$ change from current rates</i>	<i>\$18.33</i>	<i>\$35.88</i>	<i>\$53.43</i>	<i>\$88.53</i>

EXHIBIT E

CCWD RATE AND FEE SCHEDULE

PROPOSED: - Recommendations for Changes to "Other Fees"

Cost of Service Calculation

Proposed Effective Date: July 1, 2015

Summary:

Rate Schedule Section	Fee Description	Proposed July 1, 2015	Current
3N	Shut Off Warning Notice Fee (charged when 48 hour shut off notice is provided to customer)	\$ 15	none
3A	Reconnection Fee - During Business Hours	\$ 50	\$ 20
3A	Reconnection Fee - After Hours	\$ 150	\$ 50
	Unauthorized turn-on of a connection to District water service	\$150 + labor and materials to repair damaged property	\$ 25

Cost Detail:

1) Shut Off Warning Notice Fee

<i>During Business Hours:</i>	<i>Estimated Costs</i>
Field time * (.16 hour)	\$ 6.68
Office time * (.25 hour)	\$ 9.29
Mileage	\$ 1.70
Total Expense	\$ 17.67

Recommended Fee \$ 15.00

* See Note below for average hourly rates.

2) Reconnection/"Renewals" Fee

<i>During Business Hours:</i>	
Field time (shut off & reconnection - .75 hour)	\$ 31.33
Office time (.5 hour)	\$ 18.57
Mileage	\$ 4.52
Total Expense	\$ 54.42

<i>After Hours/Weekends:</i>	
Field time (shut off/reconnection - 2 OT hours + .25 Reg Hour)	\$ 129.04
Office time (.5 hour)	\$ 18.57
Mileage	\$ 4.52
Total Expense	\$ 152.13

Recommendation:	Proposed	Current
During Business Hours:	\$ 50.00	\$ 20.00
After Hours/Weekends:	\$ 150.00	\$ 50.00

* See Note below for average hourly rates.

3) Unauthorized Turn-On of a Connection

<i>During Business Hours:</i>	
Field time (1 hour)	\$ 41.77
Office time (1 hour)	\$ 37.14
Lock, materials	\$ 70.00
Mileage	\$ 4.52
Total Expense	\$ 153.43

Recommendation:	Proposed	Current
During Business Hours:	\$ 150.00	\$ 25.00

* See Note below for average hourly rates.

The above costs assume only replacement of the lock. If CCWD's property is damaged as a result of an unauthorized turn-on, the party will be assessed CCWD's actual time and materials for repairs.

Note: Labor rates are calculated based upon the following rates:

Average hourly rate plus overhead

<i>Office Staff - Regular Rate</i>	<i>Field Staff - Regular Rate</i>	<i>Field Staff - Overtime Rate</i>
37.14	\$ 41.77	\$ 59.30

After hours/weekends are charged at a 2 hour minimum.

A 25% overhead factor is included in the "regular" rate. Overtime includes an incremental 18.3% overhead factor.

Mileage is calculated using the current IRS rate of \$.565/mile.

RECEIVED

JUN 24 2015

COASTSIDE COUNTY
WATER DISTRICT

June 20, 2015

Parcel No 048-372-030

Coastside County Water District Office
766 Main Street
Half Moon Bay Ca. 94019

To Whom It May Concern.

The purpose of this letter is to protest the proposed rate increase, I am on a fixed income and your proposed rate increase would be a financial burden.

I ask that you take this in consideration and not impose a rate increase

Thank You

Sincerely

Isaac R. Ruiz

ISAAC R. RUIZ

To whom it may concern

I would like to protest
any water rate increase

Thank you

Dorethy Cordell

6 17 15

Address 146 Isabella

El Granada CA 94018

RECEIVED

JUN 22 2015

COASTSIDE COUNTY
WATER DISTRICT

RECEIVED

JUN 17 2015

COASTSIDE COUNTY
WATER DISTRICT

Attn: General Manager
County Coastside Water District
766 Main Street
Half Moon Bay, CA 94019

June 13, 2015

Dear County Coastside Water District:

We are writing today to formally protest the proposed 2015-2016 rate increases for water services. We own and reside in the property at 56 Amesport Landing, Half Moon Bay, CA 94019. Our Coastside Water District account number is 19028-0. We appreciate your consideration in this matter.

Best regards,

Joe Lubach
Reyna Lubach

Joe & Reyna Lubach
56 Amesport Landing
Half Moon Bay, CA 94019

RECEIVED

JUN 15 2015

June 15, 2015

417 Belleville Blvd

Half Moon Bay, CA 94019

COASTSIDE COUNTY
WATER DISTRICT

Attention: General Manager

Coastside County Water District

766 Main St.

Half Moon Bay, CA 94019

To Whom it may concern:

I protest your proposed 2015-2016 rate increase for water services as outlined in your notice dated May 14, 2015.

I am elderly with a fixed income and feel your proposed increase is excessive. You should explore other ways of making up for lost revenue due to reduced water usage--other than to impose rate increases for residents of the water district.

Sincerely,

Rose Barcellone

Rose Barcellone

417 Belleville Blvd

Half Moon Bay, CA 94019

Coastside county Water Dist Acct. 288-0

RECEIVED

JUN 15 2015

COASTSIDE COUNTY
WATER DISTRICT

June 15, 2015

755 Vasques Dr.

Half Moon Bay, CA 94019

Attention: General Manager

Coastside County Water District Office

766 Main St.

Half Moon Bay, CA 94019

To Whom it May Concern:

I protest your proposed 2015-2016 rate increase for Water Services as outlined in your notice dated May 14, 2015.

You mandated restrictions on water usage for residents within the Coastside County Water District area. You should have anticipated this would result in lower revenue and therefore taken steps to lower expenses within your organization. For example you should have discontinued construction on Main St. CCWD office; impose reduced benefits for your staff (i.e. allow them to pay a larger portion of their health benefits,

reduce their hours, reduce your contribution to their retirement account, reduce their vacation earnings); hire part-time employees who would not be eligible for benefits.

These are the types of cuts I have seen over the years in my own employment. I am sure, if you held a brain-storming session, many residents could offer more suggestions on how you could reduce your own expenses.

Sincerely,

Shirley Moorhouse (Shirley Moorhouse)

755 Vasques Dr.

Half Moon Bay, Ca 94019

Parcel No. 056-200-620

Coastside County Water Dist. Acct. 18447-0

RECEIVED

JUN 15 2015

**COASTSIDE COUNTY
WATER DISTRICT**

June 11, 2015

Coastside County Water District
Attention: General Manager
766 Main Street
Half Moon Bay, CA 94019

RE: INCREASED WATER COST
186 San Pedro Rd, El Granada 94018
Assessor Parcel # 047-181-740
650.726-2275

Dear Sir,

This letter, as requested in the Notice for Public Hearing email received May 20, 2015, is a formal protest for the proposed rate increase to necessitate described increased costs of providing water service to El Granada.

Respectfully do not raise the rates as proposed.



Ellen E. Shell



Melvin L. Conway

Debbie Daugherty
236 Amesport Landing
Half Moon Bay, CA 94019
Account #1255-0

RECEIVED
JUN 11 2015
COASTSIDE COUNTY
WATER DISTRICT

June 8th, 2015

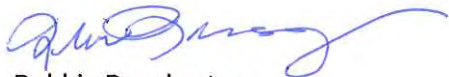
Coastside County Water District
766 Main ST
Half Moon Bay, CA 94019

To Whom this May Concern,

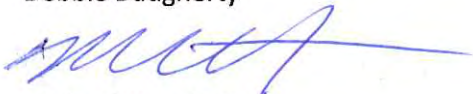
This letter is notification that I, Debbie Daugherty and my Husband, Michael Daugherty are against the proposed water increase. In reviewing the proposal, we feel that we are being punished by doing a good job in conserving water. My husband works, and I am permanently disabled and can not afford this proposed increase. In reviewing the facts, that you have added additional management and staff , as well as added new vehicles, leads us to believe that you must be making enough money, if you are able to do these things, and still be within your budget.

Please do not raise our rates!!!

Thank you and Best Regards,



Debbie Daugherty



Michael Daugherty

06/08/15

Untitled

RECEIVED

JUN 08 2015

COASTSIDE COUNTY
WATER DISTRICT

Carolyn Valoria
411 Antoinette Lane
Half Moon Bay
account # : 5390-0

I am opposed to the increase in water rates.

Carolyn Valoria

Daniel J. Bohnert

370 Saint Andrews Lane
Half Moon Bay, CA 94019

RECEIVED

June 4, 2015

JUN 08 2015

COASTSIDE COUNTY
WATER DISTRICT

Attention: General Manager
Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019

Re: Proposed 2015-2016 Rate Increases for Water Services

I am writing to protest the water rate increases proposed for 2015-2016. The logic behind these increases appears flawed and contradictory. It's completely understandable that increases in wholesale rates do cause an increase in District costs. However, only \$670,000 of the \$1.2 Million cost increase year over year is related to water expense. This does not justify a residential usage rate increase of 27%-37%. The District does not appear to be implementing a reduced/more efficient infrastructure that would complement a low usage environment. In fact, the District proposes to increase infrastructure spending and "Drought Management" expenses in spite of a lower use future. This is a recipe for continued cost/rate increases for many years to come.

Also, a quick review of other water districts in the Bay Area illustrates an already bloated cost/rate structure. A few examples:

Water District	Residential Usage Rates-Per Unit (current)
Coastside	\$6.55 – \$11.61
East Bay MUD	\$2.91 – \$4.42
Cal Water	\$3.19 – \$4.08
San Jose Water	\$3.21 – \$3.92
Palo Alto	\$4.99 – \$7.58

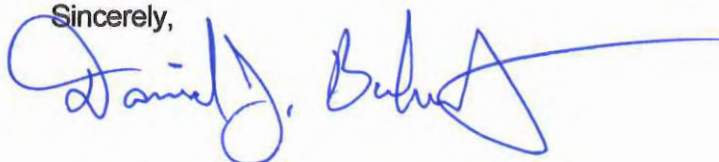
It appears that other municipal water districts have managed a lower cost structure while facing the same water supply challenges. The proposed rate structure makes the comparison worse.

After reviewing the District's proposed budget and capital plans, a few specific items of note:

1. Adding staff AND increasing wages across the board fly in the face of a reduced more efficient infrastructure. Where is the plan for more efficient management?
2. \$240,000 labeled "Drought Contingency Plans". This is another example of spending more and doing less.
3. The cost estimates for the vast majority of big ticket Capital plans appear to be guesswork.
4. \$3 Million for Advanced Metering. Is there a \$3 Million cost savings? Where is it outlined? And, the "advanced" system continues to require drive-by? That's not advanced!

Please revisit the proposed rate structure and more importantly, begin implementing a long-term, lower cost infrastructure for water delivery and management.

Sincerely,



RECEIVED

JUN 08 2015

COASTSIDE COUNTY
WATER DISTRICT

June 3, 2015

Coastside County Water District

766 Main Street
Half Moon Bay, California, 94019

Dear Board of Directors,

I oppose your proposal to increase our monthly bill.

I do believe if a household goes over there water allotment we should have a penalty fine.

I understand in your bulletin that we are being charged 30% more from the San Francisco Public Utilities Commission for our water because of the drought situation. We all understand that but 30% more in cost for water, really?

Then you stated an increase cost in operating expenses including drought management expenses. Really, is this a raise for you all?? And you stated an improvement program. What is an improvement program, explain please.

Are you all improving our infrastructure in Half Moon Bay? If so, how?? If my memory serves me correct I do not believe California's water infrastructure has been improved since around 1988.

I am sorry I will not be able to attend this meeting for my work takes me out of the country. However, I am very interested in "specifics" for the why of the monthly increase.

Again, I oppose your monthly increase to our water bill.

Sincerely,



Susan Palmer
P.O. Box 595
Half Moon Bay, California, 94019

RECEIVED

JUN 08 2015

COASTSIDE COUNTY
WATER DISTRICT

1230 Columbus Street,

June 1, 2015

PO Box 125

El Granada, CA 94018

650.726.6419, Cell 650.678.8036

Coastside County Water District

Attn: General Manager

766 Main Street

Half Moon Bay, CA 94019

Dear Madam or Sir,

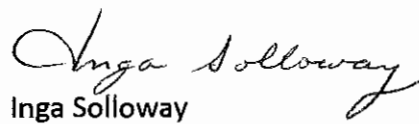
This letter, as requested in the Notice for Public Hearing email received May 20, 2015 is a formal protest for the proposed rate increase to necessitate described increased costs of providing water service to El Granada.

Respectfully do not raise the rates as proposed.

Thank You



Neal Solloway



Inga Solloway

485 Miramar Drive
Assessor Parcel Number: 048-061-120
Half Moon Bay, CA 94019
650.560.8373

RECEIVED

JUN 03 2015
COASTSIDE COUNTY
WATER DISTRICT


Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay, CA 94019

Dear Madam or Sir,

This letter, as requested in the Notice for Public Hearing email received May 20, 2015, is a formal protest for the proposed rate increase to necessitate described increased costs of providing water service to the Coastside County Water District. My parcel number is: 048-061-120

Respectfully do not raise the rates as proposed.

Thank you,



Chris Freeman
485 Miramar Drive
Half Moon Bay, CA 94019

Account 16786-0

RECEIVED

JUN 01 2015

COASTSIDE COUNTY
WATER DISTRICT

✓
May 27th 2015

535 Ferdinand Ave (P.O. Box 1827)
El Granada, CA 94018
Account: 6668-0
(650) 560-0185

Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay CA 94019

Dear Sir or Madam,

This letter, as requested in the Notice of Public Hearing email received May 20th 2015, is a formal protest for the proposed rate increase to necessitate described increases in costs of providing water service to El Granada.

Respectfully do not raise the rates as proposed.

Thank you,
Sincerely, Helen Rogers.

RECEIVED

JUN 01 2015

COASTSIDE COUNTY
WATER DISTRICT

GLENN BUTCHER
239 EL GRANADA BLVD
HALF MOON BAY, CA 94019
Assessor Parcel Number 047-192-240
water bill account number 13657-0
408 242-3944
May 20, 2015

Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay, CA 94019

Dear Madam or Sir,

This letter, as requested in the Notice for Public Hearing email received May 20, 2015, is a formal protest for the proposed rate increase to necessitate described increased costs of providing water service to El Granada.

Respectfully do not raise the rates as proposed.
Thank you

Glenn Butcher

140 Coral Reef Ave
El Granada, CA 94019
Water Bill Account #: **19614-0**
510-701-1002

Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay, CA 94019

Dear Madam or Sir,

This letter, as requested in the Notice for Public Hearing email received May 20, 2015, is a formal protest for the proposed rate increase to necessitate described increased costs of providing water service to El Granada.

Respectfully, please do not raise the rates as proposed.

Thank you
Jarod and Adelita Stanton

RECEIVED

JUN 01 2015

COASTSIDE COUNTY
WATER DISTRICT

Coastside County Water District

766 Main Street

Half Moon Bay, CA 94019

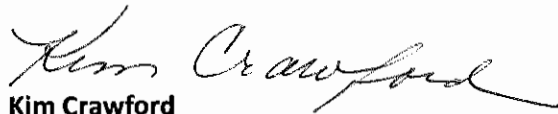
May 28, 2015

✓
RECEIVED

JUN 01 2015

COASTSIDE COUNTY
WATER DISTRICT

I protest the proposed rate increase.



Kim Crawford

406 Laurel Ave

Half Moon Bay, CA

066 540 150

ILONA MIKULA
40 RIVER OAKS RD
HAIF MOON BAY, CA 94019
ILONA JEAN @ COMCAST.NET

Water District

I PROTEST THE INCREASE WATER RAISE
OF JULY-2015.

Sincerely,
Ilona Mikula

Acct # 14349-0

RECEIVED

JUN 01 2015

COASTSIDE COUNTY
WATER DISTRICT

✓ To Mary

3/25/15 ✓

We protest The raising higher
water rates at 414 St. Joseph
Ave., Halfmoon Bay.

We are using less
water and paying more.

It doesn't seem fair
especially seniors on a fixed income.
Because of the drought we
have cut back on our
water usage. We have
not done any lawn watering,
we try not to flush toilet,
if it's yellow, mellow; if
it's brown flush it down.

Lawrence + Phyllis Standaert

414 ST. Joseph
HMB ca 94019

650-726-6747

RECEIVED

MAY 29 2015

COASTSIDE COUNTY
WATER DISTRICT

794 Francisco Street
Assessor Parcel Number 047-274-110
El Granada, CA 94018
650.533.1408

Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay, CA 94019

✓

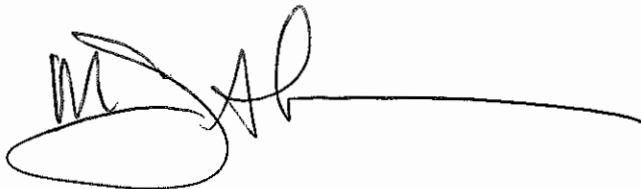
RECEIVED
MAY 29 2015
COASTSIDE COUNTY
WATER DISTRICT

Dear Madam or Sir,

This letter, as requested in the Notice for Public Hearing email received May 20, 2015 is a formal protest for the proposed rate increase to necessitate described increased costs of providing water service to El Granada.

Respectfully do not raise the rates as proposed.

Thank you

A handwritten signature in black ink, appearing to read 'Michael Ahern', with a long horizontal line extending to the right.

Michael Ahern

✓
RECEIVED

MAY 29 2015

COASTSIDE COUNTY
WATER DISTRICT

431 Ferdinand Ave
Assessor Parcel Number 047-217-120
El Granada, CA 94018
650.533.1408

Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay, CA 94019

Dear Madam or Sir,

This letter, as requested in the Notice for Public Hearing email received May 20, 2015 is a formal protest for the proposed rate increase to necessitate described increased costs of providing water service to El Granada.

Respectfully do not raise the rates as proposed.

Thank you

A handwritten signature in black ink, appearing to be 'MA Ahern', with a long horizontal line extending to the right.

Cherie and Michael Ahern

5 White Plains Ct
San Mateo
CA 94402

RECEIVED

MAY 29 2015

COASTSIDE COUNTY
WATER DISTRICT

May 19th, 2015


Dear Sir/Madam,

I, Chinwen Shih, am the owner of both Units A and B of 521 The Alameda, El Granada, CA 94019. I hereby protest to the proposed rate increase for water services.

The parcel number is 047213-240.

Please feel free to contact me at 650-3878725 or 5 White Plains Ct, San Mateo, CA 94402.

Thank you,



Chinwen Shih

Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay, CA 94019

3/27/2015 ✓

RECEIVED

MAY 29 2015
COASTSIDE COUNTY
WATER DISTRICT

~~RECEIVED~~

~~MAY 27 2015
COASTSIDE COUNTY
WATER DISTRICT~~

Dear General Manager,

I reside at 131 Turnberry Road, Half Moon Bay, CA 94019.

I am writing to protest the proposed water rate by Coastside County Water District. The proposed rate is exorbitant and creates a financial hardship to me and our household.

Please reconsider your decision to raise the rates.

Sincerely,



Amy Kashi

131 Turnberry Road

Half Moon Bay, CA 94019

✓

RECEIVED

MAY 27 2015

COASTSIDE COUNTY
WATER DISTRICT

Friday, June 21, 2015

Dear general Manager of Coastside Water District,
This letter is a formal protest for the proposed rate
increase for water service to El granada.

respectfully do not raise the rates as proposed.

Thank you.

Thanh Vo

Water bill account number 7-0

139 Del Monte, El granada, CA 94018

(650) 712-9610

RECEIVED

MAY 26 2015

COASTSIDE COUNTY
WATER DISTRICT

To: General Manager, Coastside County Water District

Re: Proposed 2015-2016 Rate Increases for Water Services

Dear General Manager,

I am writing to protest against the proposed 2015-2016 rate increase for water services I was informed of through a letter of "Notice of Public Hearing" about the proposed rate changes.

Please consider this letter my formal written protest against the proposed water increase.

Sincerely,

Silvana Ilieva

Address: 255 Palma St, Half Moon Bay, CA 94019

Account #: 18625-0

Date: 05/22/2015

Signature: 

05/22/2015

RECEIVED

MAY 20 2015

COASTSIDE COUNTY
WATER DISTRICT

Dear Madam or Sir,

This letter is in response to an email for a Notice of Public Hearing on June 30, 2015. We received the email on May, 20, 2015. This is a formal protest to a proposed rate increase to offset the costs of providing water service to El Granada.

We are retired and on a fixed income. Over the years we have followed the guidelines in water conservation. In the last drought, we conserved so much that rates were raised at that time and never reduced.

We respectfully request you to not raise the rates as proposed.

Regards,

Robert D. and Sherry L. Kline

600 Isabella Road

El Granada, Ca 94018-1268

Robert D Kline

Sherry Kline

Robert D Kline
rdkline1@aol.com

PO Box 1268
El Granada, CA 94018

Mobile : 650-302-1028
Home : 650-726-9300



Coastside County Water District
766 Main Street
Half Moon Bay, CA 94019

www.coastsidewater.org
(650) 726-4405

Unfair Wrong
Greedy

Presorted
First Class Mail
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Permit No. 1
Half Moon Bay,
CA

This is positively outrageous. I conserve, you know that before I use a drop I pay over \$ 100.00. I am old + its too expensive to go through all the changes to "sell" or get a smaller pipe. Because of this unfair issue I am intending on moving out of the state. This increase of "pipes" is a chronic event. So unfair

N. & E. RAPP
2131 ST. ANDREWS RD
HALF MOON BAY, CA 94019

9401932228 0009

RECEIVED

MAY 26 2015

COASTSIDE COUNTY
WATER DISTRICT

Important Information from Coastside County Water District - Please Open and Read

Nancy Rapp
Acct # 4350-0

2131 St. Andrews Rd
Hmb.

Go to www.coastsidewater.org to sign up for the District's E-Newsletter.

www.saveourwater.com



Index

To: Coastside County Water District

Re: Protest increased water rates

Property Address:

331 Sonora Ave

El Granada CA 94018

Acct No: 18338-0

We PROTEST the proposed increase in water rates and re-tiering of rate schedule.

RECEIVED

MAY 22 2015

Steven Edwards
May 20, 2015

COASTSIDE COUNTY
WATER DISTRICT

Acct Number 10856-0
255 Paloma Avenue
El Granada, CA 94018
650.726.0963

RECEIVED

MAY 22 2015

COASTSIDE COUNTY
WATER DISTRICT

Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay, CA 94019

Dear Madam or Sir,

This letter, as requested in the Notice for Public Hearing email received May 20, 2015, is a formal protest for the proposed rate increase to necessitate described increased costs of providing water service to El Granada.

Respectfully do not raise the rates as proposed.

Thank You,

A handwritten signature in cursive script that reads "Ariane".

Ariane Bigelow
650.726.0963

Andrea C. Hult ~~ES~~,

16 Bayhill Place,

Half Moon Bay,

Ca, 94019

telephone number: 650-712-8430.

RECEIVED

MAY 22 2015

**COASTSIDE COUNTY
WATER DISTRICT**

To The General Manager of CCWD

I wish to be heard. This is my written protest regarding a rate increase in my water bill. I currently do my part daily to conserve water.

My property : 16 Bayhill Place, Half Moon Bay, 94019

Assessor parcel number 066-480-080

Water Account Number is 9662-0

Signed Andrea C. Hult

My name is Jim Rutherford. I own
3 properties in Half Moon Bay. Parcel
#s are

048-025-380	418 Coronado
048-365-040	511 Spindrift
064-091-260	745 Second Ave

I understand and agree with the
increase as long as there is a ^{solid} plan
to lower the rates when ~~it~~: any of the
following occur:

- 1) Wholesale rates are reduced
- 2) Operating expenses are reduced
- 3) Financially costs are reduced

OK to jack up prices when absolutely
needed but only fair to reduce pricing
when costs go down.

James Rutherford

RECEIVED

MAY 22 2015

COASTSIDE COUNTY
WATER DISTRICT

From: Coastside County Water District <cbrennan@coastsidewater.ccsend.com> on behalf of Coastside County Water District <outreach@coastsidewater.org>
Sent: Wednesday, May 20, 2015 12:34 PM
To: jamesrutherfordjr@gmail.com
Subject: Proposed Rate Increase for Water Service

Having trouble viewing this email? [Click here](#)



Notice of Public Hearing

Link to Public Notice



May 2015

The Coastside County Water District Board of Directors will hold a public hearing to consider a proposed increase in the District's water rates. If approved, the new rates will apply to meter readings on and after July 1, 2015. Click on the link above to see the public notice.

Why is the District proposing a rate increase?

The proposed rate increase is necessitated by increased costs of providing water service, primarily due to:

- San Francisco Public Utilities Commission's wholesale water rates increasing by 30 percent.
- Increases in operating expenses due to state mandated water demand management and reporting.
- Financing costs for the District's capital improvement program.
- Projected decrease in water sales due state mandated reductions in water production.

Copies of the District's budget are available at the District's office at 766 Main Street or on the District's website. **Link to District Budget**

Attend the Public Hearing

Date: Tuesday, June 30, 2015

Time: 7:00 p.m.

Location: 766 Main Street, Half Moon Bay CA 94019

You Can Be Heard

If you wish to protest the proposed rate changes, the District must receive your **written protest** prior to the close of business, or during the public hearing on Tuesday, June 30, 2015.

Your written protest must include one of the following: Address, assessor parcel number or the water account number for the property subject to the proposed rate adjustments. Protests are limited to one per parcel. If written protests are submitted by a majority of the affected property owners, the proposed rate increase will not be imposed.

You may deliver your protest at the public hearing or you can deliver the protest in advance by first class mail or personal delivery to:

Coastside County Water District
Attn: General Manager
766 Main Street
Half Moon Bay, CA 94019

Important: Protests sent by email will NOT be accepted

Coastside County Water District
766 Main Street | Half Moon Bay, CA 94019
(650) 726-4405 | www.coastsidewater.org

Coastside County Water District has been serving high quality drinking water to the City of Half Moon Bay and the communities of Princeton by the Sea, El Granada, and Miramar since 1947. The District is an independent water district under the California Water Code with an elected Board of Directors.

Please Continue to Save Water -www.saveourwater.com



[Forward this email](#)

SafeUnsubscribe

This email was sent to jamesrutherfordjr@gmail.com by outreach@coastsidewater.org | [Update Profile/Email Address](#) | Rapid removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).



Coastside County Water District 766 Main Street Half Moon Bay CA 94019

MAY 21 2015
COASTSIDE COUNTY
WATER DISTRICT

Stephen Lorack

Account # :3088-0
307 Correas Street
Half Moon Bay, CA 94019

May 19, 2015

General Manager
Coastside County Water District
776 Main Street
Half Moon Bay, CA 94019

Dear Sir or Madam,

I am writing to protest the proposed increase in the District's water rates of approximately 30% as outlined in the Notice of Public Hearing dated May 14, 2015.

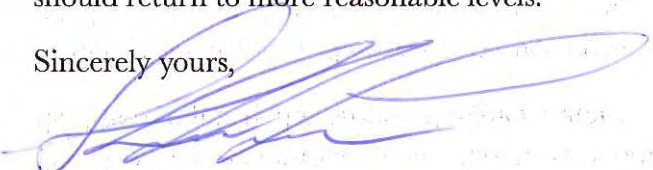
While I recognize that the current drought, mandatory water saving measures, and the increase in wholesale water rates from the San Francisco Public Utilities Commission of 30% have a direct impact on the Coastside County Water District, I find the information disclosed to justify the proposed higher water rates to be incomplete.

Reduced water use, and therefore reduced revenue for the District due to decreased billable water units used, are likely a temporary situation due to the drought. In a normal rainfall year, water use is likely to increase. Yet there is no mention that the proposed increase is **temporary**. The increase appears to be permanent.

Wholesale water rates from the SF Public Utilities Commission are only a part of the cost structure of the Coastside County Water District. Even if these higher wholesale rates are permanent, they do not affect the rest of the cost structure for the District. Once water use returns to historical levels, revenue will be available to cover these other costs.

I propose that either the rate increases are reduced to consider the higher revenue that will be created in higher water use years in the future, or that **temporary rate surcharges** be imposed on a year by year basis. In non-drought years, water charges should return to more reasonable levels.

Sincerely yours,


Stephen Lorack

RECEIVED

Warren W Jones
PO Box 2267
El Granada, CA 94018

MAY 20 2015
COASTSIDE COUNTY
WATER DISTRICT

May 17, 2015

RE: Proposed rate hike; account #2596-0, service address: 918 Malaga Street, El Granada, CA

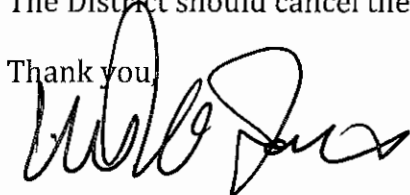
Coastside County Water District Office
766 Main Street
Half Moon Bay, CA 94019

I am writing to protest the proposed rate increase. This is burdensome for many rate-payers.

The District has a track record of raising water rates every two years. For obvious reasons, this is an unsustainable approach to financing the water system.

The District should cancel the proposed rate increase.

Thank you,



Warren W Jones

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: June 30, 2015

Report

Date: June 25, 2015

Subject: Approval of Fiscal Year 2015-2016 Budget and Fiscal Year 2015/2016 to 2024/2025 Capital Improvement Program

Recommendation:

Approve the Fiscal Year 2015-2016 Budget (Exhibit A) and Fiscal Year 2015/2016 to 2024/2025 Capital Improvement Program. (Exhibit B)

Background:

Budget Process

The Fiscal Year 2015-2016 budgeting process has been particularly challenging due to the drought and continually unfolding developments surrounding Governor Brown's April 1 Executive Order mandating a statewide 25% reduction in potable urban water usage. Responding to these developments, staff and the Board have worked together over a series of eight public meetings (public meeting dates shown in bold) to review and revise the budget, Capital Improvement Program (CIP), and rate proposal:

- **February 25** - Facilities Committee meeting to review proposed CIP
- **March 2** - Budget Kick-off meeting with Finance Committee
- **March 31** - Budget Workshop - Initial budget and CIP presented along with budget risks
- April 1 - Governor Brown issues his executive order.
- **April 14** Board Meeting - Staff presents revised budget given Governor Brown's executive order and incorporating HF&H Consultants' preliminary rate study recommendations .
- April 20 - San Juan Capistrano Proposition 218 Appellate Court Decision is handed down. Staff subsequently works with HF&H to fine tune a cost of service analysis that supports a residential tiered rate structure.
- **May 12** - Budget review with Finance Committee
- **May 12** Board Meeting - Updated Fiscal Year 2015-2016 Budget and CIP presented. HF&H Consultants present their findings and recommendations in their May 8, 2015 Water Rate Structure Update.
- **June 9** Board Meeting - Budget and Capital Improvement Program on agenda for Board and public review and comment
- **June 30 Special Board Meeting** - Public hearing on proposed rate increase, consideration of budget and CIP approval

Budget Overview

The District's budget funds ongoing operations, maintenance and capital replacement of (2) water treatment plants, Crystal Springs Pump station, 11 treated water holding tanks, and approximately 100 miles of transmission and distribution pipelines. The proposed budget reflects a water revenue requirement of \$9.9 million:

	FY 2016 Proposed Budget	
SFPUC Water Purchase	\$	2,872,000
Electricity	\$	457,000
Operating Expense	\$	5,029,000
Debt Service	\$	824,000
Contribution to CIP and Reserves	\$	1,800,000
Non-Operating Revenue	\$	(1,118,000)
Water Revenue Requirement	\$	9,864,000

District expenses are approximately 65% fixed (i.e. do not vary with water sales), while revenue is 80% variable and dependent on volume of water sales. (Note that the California Urban Water Conservation Council Best Management Practices which the District must meet require that at least 70% of water revenue come from variable charges in order to encourage conservation.) Declining water sales volumes have significantly impacted the ability of the District to cover its fixed costs, and further declines due to drought-related mandates represent a serious budget risk.

Operating Expense Assumptions

- Reduction in water revenue due to water sales reductions given mandatory conservation requirements. (FY2015-2016 assumes annual sales of 590 million gallons (MG), down from 620 MG in FY2014-2015 and 697 MG in FY2013-2014.)
- 30% increase in SFPUC wholesale water rates to the District
- Increased electricity due to greater reliance on Crystal Springs Pump Station vs. local sources due to drought
- Increase of \$328,000 for demand management (\$263,000 personnel, consulting and outreach expenses; \$65,000 CIP) due to drought
- 4% inflation

The budget also includes Contribution to CIP and Reserves of \$1,800,000 to cover \$1,400,000 in revenue-funded capital improvements (discussed below) and \$400,000 to recover a reduction in reserve balances during FY2014-2015.

Budget Risks

Over the course of the budget review process, Staff and the Board discussed risks associated with the budget. Risks identified include:

- District could experience water sales below 590 MG. (A reduction to 560 MG would impact revenue \$350-400K)
- Increased non-revenue water. (Plan is for 6.6%. Recent history is 10%. Up to \$110K impact)
- Increased reliance on SFPUC (vs. District owned water sources) due to reduced local source production given continued drought. (\$250K impact)
- Elimination of supply from Pilarcitos (resulting in increased pumping costs from Crystal Springs. \$90K impact)

Capital Improvement Program (CIP)

Highlights:

- \$34,331,000 total CIP (FY2016 dollars) – for 10 year period – from Fiscal Years 2015/2016 to 2024/2025
- Net increase of \$1.2 million vs. FY2014/2015 to FY2023/2014 CIP

FY2016 Plan of \$4,400,000, includes:

- \$1,400,000 financed out of operating revenue
- \$3,000,000 (to be funded out of loans) for high priority projects, including:
 - El Granada Pipeline Final Phase (Pilarcitos Creek crossing.)
 - Denniston Booster Station/Bridgeport Drive Transmission Pipeline

Please note the due to the volume of paper, the individual detailed sheets for the Operations and Maintenance Budget and Capital Improvement Program are not included in the agenda packet. The individual detailed sheets are available in electronic form on the District's website at www.coastsidewater.org or hard copies may be obtained at the District's office.

Operations & Maintenance Budget - FY 2015/2016

Account Number	Description	Proposed Budget FY 15/16	Approved	FY15/16 Budget	FY 15/16	Proj Year End	FY 15/16 Budget	FY 15/16	YTD Actual FY 14/15 as of February 28, 2015
			FY14/15 Budget	Vs. FY 14/15 Budget	Budget Vs. FY 14/15 Budget		Vs. FY 14/15 Actual	Budget Vs. FY 14/15 Actual	
				\$ Change	% Change	Actual FY 14/15	\$ Change	% Change	
OPERATING REVENUE									
4120	Water Sales (1) *	\$9,863,916	\$8,832,988	\$1,030,928	11.7%	\$8,200,000	\$1,663,916	20.3%	\$5,600,403
Total Operating Revenue		\$9,863,916	\$8,832,988	\$1,030,928	11.7%	\$8,200,000	\$1,663,916	20.3%	\$5,600,403
NON-OPERATING REVENUE									
4170	Hydrant Sales	\$40,000	\$25,000	\$15,000	60.0%	\$45,704	-\$5,704	-12.5%	\$30,704
4180	Late Penalty	\$90,000	\$70,000	\$20,000	28.6%	\$91,145	-\$1,145	-1.3%	\$61,145
4230	Service Connections	\$10,000	\$8,000	\$2,000	25.0%	\$10,854	-\$854	-7.9%	\$7,254
4920	Interest Earned	\$2,550	\$2,544	\$6	0.2%	\$2,398	\$152	6.3%	\$1,798
4930	Property Taxes	\$600,000	\$600,000	\$0	0.0%	\$641,952	-\$41,952	-6.5%	\$431,952
4950	Miscellaneous	\$37,000	\$37,000	\$0	0.0%	\$26,805	\$10,195	38.0%	\$17,805
4955	Cell Site Lease Income	\$139,245	\$134,880	\$4,365	3.2%	\$144,059	-\$4,814	-3.3%	\$96,059
4965	ERAF Refund	\$200,000	\$200,000	\$0	0.0%	\$356,277	-\$156,277	-43.9%	\$356,277
Total Non-Operating Revenue		\$1,118,795	\$1,077,424	\$41,371	3.8%	\$1,319,193	-\$200,398	-15.2%	\$1,002,993
TOTAL REVENUES		\$10,982,711	\$9,910,412	\$1,072,299	10.8%	\$9,519,193	\$1,463,518	15.4%	\$6,603,396
OPERATING EXPENSES									
5130	Water Purchased	\$2,871,947	\$2,446,253	\$425,694	17.4%	\$2,375,778	\$496,168	20.9%	\$1,392,114
5230	Electrical Exp. Nunes WTP	\$29,500	\$25,000	\$4,500	18.0%	\$29,670	-\$170	-0.6%	\$19,670
5231	Electrical Expenses, CSP	\$307,052	\$150,910	\$156,142	103.5%	\$354,630	-\$47,578	-13.4%	\$279,567
5232	Electrical Expenses/Trans. & Dist.	\$12,800	\$13,700	-\$900	-6.6%	\$12,613	\$187	1.5%	\$8,613
5233	Elec Exp/Pilarcitos Cyn	\$18,000	\$24,995	-\$6,995	-28.0%	\$19,184	-\$1,184	-6.2%	\$13,184
5234	Electrical Exp., Denn	\$90,100	\$120,000	-\$29,900	-24.9%	\$49,643	\$40,457	81.5%	\$19,653
5235	Denn. WTP Oper.	\$30,000	\$27,000	\$3,000	11.1%	\$29,340	\$660	2.2%	\$24,840
5236	Denn WTP Maint	\$32,000	\$52,500	-\$20,500	-39.0%	\$23,975	\$8,025	33.5%	\$12,975
5240	Nunes WTP Oper	\$52,764	\$40,450	\$12,314	30.4%	\$68,088	-\$15,324	-22.5%	\$43,088
5241	Nunes WTP Maint	\$55,500	\$51,500	\$4,000	7.8%	\$35,783	\$19,717	55.1%	\$16,783
5242	CSP - Operation	\$8,500	\$8,500	\$0	0.0%	\$9,251	-\$751	-8.1%	\$6,751
5243	CSP - Maintenance	\$37,000	\$40,000	-\$3,000	-7.5%	\$30,137	\$6,863	22.8%	\$17,137
5250	Laboratory Expenses	\$40,000	\$40,000	\$0	0.0%	\$35,017	\$4,983	14.2%	\$21,517
5318	Studies/Surveys/Consulting	\$240,000	\$240,000	\$0	0.0%	\$97,612	\$142,388	145.9%	\$27,612
5321	Water Conservation	\$37,000	\$39,000	-\$2,000	-5.1%	\$37,378	-\$378	-1.0%	\$30,878
5322	Community Outreach	\$95,100	\$41,700	\$53,400	128.1%	\$33,692	\$61,408	182.3%	\$8,692
5327	Water Resources	\$0	\$0	\$0		\$0	\$0		\$0
5411	Salaries - Field	\$1,118,506	\$1,060,431	\$58,075	5.5%	\$1,096,407	\$22,099	2.0%	\$731,407
5412	Maintenance Expenses	\$268,500	\$211,500	\$57,000	27.0%	\$217,456	\$51,044	23.5%	\$137,456
5414	Motor Vehicle Exp.	\$55,650	\$50,650	\$5,000	9.9%	\$50,661	\$4,989	9.8%	\$37,661
5415	Maintenance, Wells	\$40,000	\$10,000	\$30,000	300.0%	\$11,500	\$28,500	286.0%	\$4,500

Operations & Maintenance Budget - FY 2015/2016

Account Number	Description	Proposed Budget FY 15/16	FY 15/16 Budget Vs. FY 14/15 Budget			Proj Year End Actual FY 14/15	FY 15/16 Budget Vs. FY 14/15 Actual		YTD Actual FY 14/15 as of February 28, 2015
			Approved FY14/15 Budget	\$ Change	% Change		\$ Change	% Change	
5610	Salaries, Admin.	\$1,061,780	\$809,262	\$252,518	31.2%	\$788,802	\$272,978	34.6%	\$452,802
5620	Office Expenses	\$164,475	\$157,825	\$6,650	4.2%	\$155,122	\$9,353	6.0%	\$80,122
5621	Computer Services	\$103,800	\$91,800	\$12,000	13.1%	\$81,838	\$21,962	26.8%	\$45,838
5625	Meetings/Training/Seminars	\$24,000	\$23,000	\$1,000	4.3%	\$30,057	-\$6,057	-20.2%	\$22,557
5630	Insurance	\$115,000	\$115,000	\$0	0.0%	\$117,255	-\$2,255	-1.9%	\$65,255
5635	Ee/Ret Medical Insurance	\$527,457	\$482,296	\$45,161	9.4%	\$428,676	\$98,781	23.0%	\$275,676
5640	Employee Retirement	\$505,322	\$525,288	-\$19,966	-3.8%	\$534,047	-\$28,725	-5.4%	\$356,047
5645	SIP 401a Plan	\$30,000	\$30,000	\$0	0.0%	\$30,000	\$0	0.0%	\$0
5681	Legal	\$60,000	\$60,000	\$0	0.0%	\$55,600	\$4,401	7.9%	\$37,600
5682	Engineering	\$14,000	\$14,000	\$0	0.0%	\$5,480	\$8,520	155.5%	\$3,480
5683	Financial Services	\$24,000	\$24,000	\$0	0.0%	\$21,585	\$2,415	11.2%	\$16,585
5684	Payroll Taxes	\$153,056	\$135,168	\$17,888	13.2%	\$124,084	\$28,972	23.3%	\$83,084
5687	Memberships & Subscriptions	\$71,290	\$63,074	\$8,216	13.0%	\$64,809	\$6,481	10.0%	\$32,809
5688	Election Expense	\$25,000	\$0	\$25,000		\$0	\$25,000		\$0
5689	Union Expenses	\$6,000	\$6,000	\$0	0.0%	\$0	\$6,000		\$0
5700	County Fees	\$17,700	\$17,700	\$0	0.0%	\$16,835	\$865	5.1%	\$16,835
5705	State Fees	\$16,000	\$16,000	\$0	0.0%	\$13,035	\$2,965	22.7%	\$8,035
Total Operating Expenses		\$8,358,799	\$7,264,502	\$1,094,297	13.1%	\$7,085,041	\$1,273,758	18.0%	\$4,350,824
CAPITAL ACCOUNTS									
5712	Existing Bonds - 2006B	\$485,889	\$485,889	\$0	0.0%	\$485,866	\$22	0.0%	\$350,866
5715	Existing Bond-CIEDB 11-099	\$338,024	\$338,024	\$0	0.0%	\$338,024	\$0	0.0%	\$338,024
Total Capital Accounts		\$823,913	\$823,913	\$0	0.0%	\$823,890	\$22	0.0%	\$688,890
TOTAL REVENUE LESS TOTAL EXPENSE		\$1,800,000	\$1,821,997	-\$21,997	-1.2%	\$1,610,262	\$189,738	11.8%	\$1,563,682
5713	Cont. to CIP & Reserves	\$1,800,000							

Notes:

Operations & Maintenance Budget - FY 2015/2016

Account Number		Description	Proposed Budget FY 15/16	Approved FY14/15 Budget	FY15/16 Budget Vs. FY 14/15 Budget \$ Change	FY 15/16 Budget Vs. FY 14/15 Budget % Change	Proj Year End Actual FY 14/15	FY 15/16 Budget Vs. FY 14/15 Actual \$ Change	FY 15/16 Budget Vs. FY 14/15 Actual % Change	YTD Actual FY 14/15 as of February 28, 2015
OPERATING REVENUE										
4120		Water Sales (1) *	\$9,863,916	\$8,832,988	\$1,030,928	11.7%	\$8,200,000	\$1,663,916	20.3%	\$5,600,403
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4965		ERAF Refund	\$200,000	\$200,000	\$0	0.0%	\$356,277	-\$156,277	-43.9%	\$356,277
Total Non-Operating Revenue			\$1,118,795	\$1,077,424	\$41,371	3.8%	\$1,319,193	-\$200,398	-15.2%	\$1,002,993
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OPERATING EXPENSES										
<i>Source of Supply</i>										
5130		Water Purchased	\$2,871,947	\$2,446,253	\$425,694	17.4%	\$2,375,778	\$496,168	20.9%	\$1,392,114
<i>Pumping (Electrical)</i>										
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5234		Electrical Exp., Denn	\$90,100	\$120,000	-\$29,900	-24.9%	\$49,643	\$40,457	81.5%	\$19,653
Subtotal Pumping (Electrical)			\$457,452	\$334,605	\$122,847	36.7%	\$465,740	-\$8,288	-1.8%	\$340,687
<i>Transmission & Distribution</i>										
5235		Denn. WTP Oper.	\$30,000	\$27,000	\$3,000	11.1%	\$29,340	\$660	2.2%	\$24,840
5236		Denn WTP Maint	\$32,000	\$52,500	-\$20,500	-39.0%	\$23,975	\$8,025	33.5%	\$12,975
5240		Nunes WTP Oper	\$52,764	\$40,450	\$12,314	30.4%	\$68,088	-\$15,324	-22.5%	\$43,088
5241		Nunes WTP Maint	\$55,500	\$51,500	\$4,000	7.8%	\$35,783	\$19,717	55.1%	\$16,783
5242		CSP - Operation	\$8,500	\$8,500	\$0	0.0%	\$9,251	-\$751	-8.1%	\$6,751
5243		CSP - Maintenance	\$37,000	\$40,000	-\$3,000	-7.5%	\$30,137	\$6,863	22.8%	\$17,137
5250		Laboratory Expenses	\$40,000	\$40,000	\$0	0.0%	\$35,017	\$4,983	14.2%	\$21,517
5412		Maintenance Expenses	\$268,500	\$211,500	\$57,000	27.0%	\$217,456	\$51,044	23.5%	\$137,456
5415		Maintenance, Wells	\$40,000	\$10,000	\$30,000	300.0%	\$11,500	\$28,500	247.8%	\$4,500
Subtotal Trans & Distribution			\$564,264	\$481,450	\$82,814	17.2%	\$460,547	\$103,717	22.3%	\$285,047

Operations & Maintenance Budget - FY 2015/2016

Account Number	Description	Proposed Budget FY 15/16	Approved FY14/15 Budget	FY 15/16 Budget Vs. FY 14/15 Budget		Proj Year End Actual FY 14/15	FY 15/16 Budget Vs. FY 14/15 Actual		YTD Actual FY 14/15 as of February 28, 2015
				\$ Change	% Change		\$ Change	% Change	
Personnel									
5411	Salaries - Field	\$1,118,506	\$1,060,431	\$58,075	5.5%	\$1,096,407	\$22,099	2.0%	\$731,407
5610	Salaries, Admin.	\$1,061,780	\$809,262	\$252,518	31.2%	\$788,802	\$272,978	34.6%	\$452,802
5684	Payroll Taxes	\$153,056	\$135,168	\$17,888	13.2%	\$124,084	\$28,972	23.3%	\$83,084
5640	Employee Retirement	\$505,322	\$525,288	-\$19,966	-3.8%	\$534,047	-\$28,725	-5.4%	\$356,047
5635	Ee/Ret Medical Insurance	\$527,457	\$482,296	\$45,161	9.4%	\$428,676	\$98,781	23.0%	\$275,676
5645	SIP 401a Plan	\$30,000	\$30,000	\$0	0.0%	\$30,000	\$0	0.0%	\$0
	Subtotal - Personnel	\$3,396,121	\$3,042,445	\$353,676	11.6%	\$3,002,017	\$394,104	13.1%	\$1,899,017
Other - Administrative and General									
5318	Studies/Surveys/Consulting	\$240,000	\$240,000	\$0	0.0%	\$97,612	\$142,388	145.9%	\$27,612
5321	Water Conservation	\$37,000	\$39,000	-\$2,000	-5.1%	\$37,378	-\$378	-1.0%	\$30,878
5322	Community Outreach	\$95,100	\$41,700	\$53,400	128.1%	\$33,692	\$61,408	182.3%	\$8,692
5327	Water Resources	\$0	\$0	\$0		\$0	\$0		\$0
5414	Motor Vehicle Exp.	\$55,650	\$50,650	\$5,000	9.9%	\$50,661	\$4,989	9.8%	\$37,661
5620	Office Expenses	\$164,475	\$157,825	\$6,650	4.2%	\$155,122	\$9,353	6.0%	\$80,122
5621	Computer Services	\$103,800	\$91,800	\$12,000	13.1%	\$81,838	\$21,962	26.8%	\$45,838
5625	Meetings/Training/Seminars	\$24,000	\$23,000	\$1,000	4.3%	\$30,057	-\$6,057	-20.2%	\$22,557
5630	Insurance	\$115,000	\$115,000	\$0	0.0%	\$117,255	-\$2,255	-1.9%	\$65,255
5681	Legal	\$60,000	\$60,000	\$0	0.0%	\$55,600	\$4,401	7.9%	\$37,600
5682	Engineering	\$14,000	\$14,000	\$0	0.0%	\$5,480	\$8,520	155.5%	\$3,480
5683	Financial Services	\$24,000	\$24,000	\$0	0.0%	\$21,585	\$2,415	11.2%	\$16,585
5687	Memberships & Subscriptions	\$71,290	\$63,074	\$8,216	13.0%	\$64,809	\$6,481	10.0%	\$32,809
5688	Election Expense	\$25,000	\$0	\$25,000		\$0	\$25,000		\$0
5689	Union Expenses	\$6,000	\$6,000	\$0	0.0%	\$0	\$6,000		\$0
5700	County Fees	\$17,700	\$17,700	\$0	0.0%	\$16,835	\$865	5.1%	\$16,835
5705	State Fees	\$16,000	\$16,000	\$0	0.0%	\$13,035	\$2,965	22.7%	\$8,035
	Subtotal - Admin & General	\$1,069,015	\$959,749	\$109,266	11.4%	\$780,959	\$288,056	36.9%	\$433,959
Total Operating Expenses		\$8,358,799	\$7,264,502	\$1,094,297	13.1%	\$7,085,041	\$1,273,758	18.0%	\$4,350,824
CAPITAL ACCOUNTS									
5712	Existing Bonds - 2006B	\$485,889	\$485,889	\$0	0.0%	\$485,866	\$22	0.0%	\$350,866
5715	Existing Bond-CIEDB 11-099	\$338,024	\$338,024	\$0	0.0%	\$338,024	\$0	0.0%	\$338,024
Total Capital Accounts		\$823,913	\$823,913	\$0	0.0%	\$823,890	\$22	0.0%	\$688,890
TOTAL REVENUE LESS TOTAL EXPENSE		\$1,800,000	\$1,821,997	-\$21,997	-1.2%	\$1,610,262	\$189,738	11.8%	\$1,563,682
5713	Cont. to CIP & Reserves	\$1,800,000							

Notes:

CIP Projects FY15/16 to FY24/25

NO.	PROJECT NAME	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	CIP Total
Equipment Purchase & Replacement												
06-03	SCADA/Telemetry/Electrical Controls Replacement	150,000	150,000	150,000								450,000
08-10	Backhoe					80,000						80,000
08-12	New Service Truck		150,000									150,000
15-04	Vactor Truck/Trailer			200,000								200,000
16-06	Portable work lights	6,000										6,000
99-02	Vehicle Replacement	30,000			30,000		30,000	30,000		30,000		150,000
99-03	Computer Systems	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000		45,000
99-04	Office Equipment/Furniture	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000		27,000
8	Equipment Purchase & Replacement Totals	194,000	308,000	358,000	38,000	88,000	38,000	38,000	8,000	38,000		1,108,000
Facilities & Maintenance												
08-08	PRV Valves Replacement Project	30,000	30,000	30,000	30,000	30,000						150,000
09-07	Advanced Metering Infrastructure					1,500,000	1,500,000					3,000,000
09-09	Fire Hydrant Replacement	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000		180,000
09-23	District Digital Mapping	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	\$10,000	100,000
14-11	Replace 2" and Larger Meters with Omni Meters	30,000										30,000
14-13	New Security Fence at Pilarcitos Well Field	20,000										20,000
15-01	Utility Billing Software Upgrade	150,000										150,000
15-03	District Administration/Operations Center										3,000,000	3,000,000
16-07	Sample Station Replacement Project			5,000	5,000	5,000	5,000	5,000	5,000	5,000	\$5,000	40,000
99-01	Meter Change Program	10,000	10,000	10,000	10,000	20,000	20,000	20,000	20,000	20,000		140,000
10	Facilities & Maintenance Totals	270,000	70,000	75,000	75,000	1,585,000	1,555,000	55,000	55,000	55,000	3,015,000	6,810,000
Pipeline Projects												
06-01	Avenue Cabrillo Phase 2 & 3 Pipeline Replacement Project		300,000									300,000

NO.	PROJECT NAME	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	CIP Total
06-02	Highway 1 South Pipeline Replacement Project			80,000	100,000	1,200,000						1,380,000
07-03	Pilarcitos Canyon Pipeline Replacement	100,000							150,000	1,000,000		1,250,000
07-04	Bell Moon Pipeline Replacement Project			60,000	250,000							310,000
10-01	Main Street Bridge Pipeline Replacement Project	2,000,000										2,000,000
12-02	Wave Valve Automation		50,000									50,000
13-02	Replace 8 Inch Pipeline Under Creek at Pilarcitos Ave.		200,000									200,000
14-01	Replace 12" Welded Steel Line on Hwy 92 with 8" DI	300,000					1,000,000	1,000,000	1,000,000			3,300,000
14-26	Replace 2 Inch Pipe Downtown Half Moon Bay		500,000									500,000
14-27	Grandview 2 Inch Replacement			450,000								450,000
14-28	Replace 2 Inch Hilltop Market to Spanishtown				240,000							240,000
14-29	Replace 2 Inch GS Purisima Way					125,000						125,000
14-30	Replace Miscellaneous 2 Inch GS El Granada					60,000						60,000
14-31	Ferdinand Avenue - Replace 4" WS Ferdinand Ave. to Columbus St.				225,000							225,000
14-32	Casa Del Mar - Replace Cast Iron Mains							1,000,000	1,000,000			2,000,000
14-33	Miramar Cast Iron Pipeline Replacement					1,000,000	1,000,000					2,000,000
16-09	Slipline Magellan at Hwy 1	100,000										100,000
NN-00	Pipeline Replacement									1,500,000	1,500,000	3,000,000
18	Pipeline Projects Totals	2,500,000	1,050,000	590,000	815,000	2,385,000	2,000,000	2,000,000	2,150,000	2,500,000	1,500,000	17,490,000
Pump Stations/Tanks/Wells												
06-04	Hazen's Tank Replacement	300,000										300,000
08-14	Alves Tank Recoating, Interior + Exterior				600,000							600,000
08-16	Cahill Tank Exterior Recoat					15,000						15,000
08-18	EG Tank #3 Recoating Interior + Exterior		350,000									350,000
09-18	New Pilarcitos Well			150,000								150,000
11-02	CSPS Stainless Steel Inlet Valves				100,000							100,000
11-05	Half Moon Bay Tank #2 Interior + Exterior Recoat			200,000								200,000

NO.	PROJECT NAME	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	CIP Total
11-06	Half Moon Bay Tank #3 Interior + Exterior Recoat					200,000						200,000
13-08	Crystal Springs Spare 350 HP Pump & Motor			50,000								50,000
13-11	EG Tank #1 & Tank #2 Emergency Generators	75,000	200,000									275,000
16-08	New Denniston Well			80,000								80,000
11	Pump Stations/Tanks/Wells Totals	375,000	550,000	480,000	700,000	215,000						2,320,000
Water Supply Development												
10-02	Bridgeport Drive Pipeline Replacement Project	110,000	840,000									950,000
12-04	Denniston Treated Water Booster Station	200,000	800,000									1,000,000
12-12	San Vicente Diversion and Pipeline	300,000	1,000,000	1,000,000								2,300,000
13-04	Denniston Reservoir Restoration		1,000,000									1,000,000
14-24	Denniston/San Vicente EIR & Permitting	50,000										50,000
14-25	Water Shortage Plan Development	100,000										100,000
6	Water Supply Development Totals	760,000	3,640,000	1,000,000								5,400,000
Water Treatment Plants												
08-07	Nunes Filter Valve Replacement				30,000	30,000	30,000	30,000	30,000			150,000
13-05	Denniston WTP Emergency Power				500,000							500,000
16-01	Denniston WTP Coag Tank Motor Operated Valve	10,000										10,000
16-02	Denniston WTP Filter Repairs	110,000										110,000
16-03	Denniston WTP Filter Flow Meter Replacement	10,000										10,000
16-04	Denniston WTP Pond Return Pump	25,000										25,000
16-05	Nunes Filter Valve Repairs & Replacments	15,000										15,000
99-05	Denniston Maintenance Dredging	35,000	35,000	35,000	35,000	35,000	35,000	3,500	35,000	35,000		283,500
8	Water Treatment Plants Totals	205,000	35,000	35,000	565,000	65,000	65,000	33,500	65,000	35,000		1,103,500
Grand Total		4,304,000	5,653,000	2,538,000	2,193,000	4,338,000	3,658,000	2,126,500	2,278,000	2,628,000	4,515,000	34,231,500

STAFF REPORT

To: Coastside County Water District Board of Directors

From: David Dickson, General Manager

Agenda: June 30, 2015

Report

Date: June 25, 2015

Subject: Consideration of Resolution 2015-07 Amending the General Regulations Regarding Water Service

Recommendation:

Adopt Resolution 2015-07 Amending the General Regulations Regarding Water Service (Exhibit A)

Background:

Proposed changes to General Regulations Regarding Water Service

CCWD's *General Regulations Regarding Water Service* currently include references to specific fee amounts that more appropriately should be reflected in the *Rate and Fee Schedule*. Staff is proposing to remove the references to fee amounts in Section K6 - Termination of Service; and Section N1 - No Private Turn-On/No Unauthorized Connection in the *General Regulations*, and alternatively, direct users to the *Rate and Fee Schedule* for specific amounts. Other minor housekeeping clarifications are also reflected in Section J - Bills and Payment including references to monthly billing for some non-residential customers.

Staff is also proposing in Section K2 that the District adopt a Shut-off Warning Notice fee to be charged to the customer's account when the (48) hour shut-off warning notice due to non-payment is provided to the customer. Historically, the District provides an average of 100 shut-off warning notices per month due to non-payment. The Shut-off Warning Notice fee will allow the District to recover its costs for this labor intensive process. The fee amount (\$15) for Fiscal Year 2015-2016 is established in the proposed Rate and Fee Schedule.

RESOLUTION NO. 2015 - 07

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
COASTSIDE COUNTY WATER DISTRICT AMENDING THE GENERAL
REGULATIONS REGARDING WATER SERVICE**

WHEREAS, the Board would like to make some minor updates to language included in the General Regulations Regarding Water Service, including removing references to fee amounts in the General Regulations, particularly in sections K, Termination of Service, and N, No Private Turn-On/No Unauthorized Connection, and moving the fee amounts to the "Rate and Fee Schedule";

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Coastside County Water District as follows:

1. Section J, Bills and Payment, in the General Regulations Regarding Water Service is amended to read as follows:

" J. Bills and Payment

1. All water services are metered, and all meters are read on either a monthly or bi-monthly basis.
2. Bills are rendered monthly or bi-monthly (depending on the meter read cycle) and are mailed approximately fifteen (15) days after the meter reading date. Residential customers are billed on a bi-monthly basis. Non-residential customers are billed on either a monthly or bi-monthly basis depending on water usage or type of meter.
3. Periodic bills are due and payable on presentation. Twenty-one (21) days will be allowed after bills are mailed before the bill becomes delinquent."

2. Section K, Termination of Service, in the General Regulations Regarding Water Service is amended to read as follows:

"K. Termination of Service

1. The District shall notify all customers whose bills are delinquent: (1) that their service is subject to termination if the amount past due, plus a late fee

EXHIBIT A

in such amount as may be established by the District's Rate and Fee Schedule, is not paid within ten (10) days of mailing of the delinquency notice (the "Initial Notice"); and (2) that if the correctness of the bill is disputed, a meeting with the General Manager or his designee to resolve the dispute may be requested.

2. If the amount past due, plus late fees, have not been paid ten (10) days after the notice referred to above is mailed, and the customer has not within that time indicated to the District that the bill is disputed, a final forty-eight (48) hour notice of termination shall be posted at the property receiving service and, if the amount past due and all late fees are not paid upon expiration of the forty-eight (48) hour final notice period, the service shall be discontinued. A Shut-Off Warning Notice fee (as established in the District's Rate and Fee Schedule) will be charged to the customer's account when the (48) hour shut-off warning notice due to non-payment is provided to the customer.
 3. If, within the ten day period referenced in Section 1, above, the District is notified of a dispute as to the bill, the General Manager or his designee shall investigate the matter and meet with the customer if desired. Service shall not be discontinued pending the outcome of this review. If the customer does not pay the amount determined to be due by the later to occur of: five days after notice of the General Manager's determination, or fifteen (15) days after the Initial Notice, service may be discontinued.
 4. Amortization of an amount found to be due and owing shall be permitted only if the customer demonstrates that he or she is unable to pay the full amount immediately without undue personal hardship. Amortization, if permitted, shall not exceed four (4) months. All current bills must be paid in full together with the share of the amortized past due amount. Amortization shall apply only to residential customers.
 5. Service will not be terminated for failure to pay amounts due on Saturdays, Sundays, legal holidays or other times when the District business office is not open to the public.
 6. The customer will be charged a reconnection fee for the restoration of discontinued service as established in the District's Rate and Fee Schedule."
3. Section N, No Private Turn-On/No Unauthorized Connection, in the General Regulations Regarding Water Service, is amended to read as follows:

EXHIBIT A

“N. No Private Turn-On/No Unauthorized Connection

- 1. It shall be unlawful for any person to turn on water after the same shall be turned off as herein provided. A penalty will be imposed for each violation of this provision as provided for in the District’s Rate and Fee Schedule.
- 2. It shall be unlawful for any person to connect to the District's water pipes without authorization or consent from the District and without paying the full lawful charge therefore. Any person who commits, solicits, aids or abets such unauthorized connection may be liable for a civil penalty of \$1,000 and criminal penalties, or both.

Additionally, the District shall have the right to refuse future connection to the District's water pipes to any person who violates this provision.

Any water meter that has been altered, tampered with, or bypassed so as to cause no measurement or inaccurate measurement of water service will create an inference that this provision has been intentionally violated.”

- 4. This Resolution shall be effective on July 1, 2015.
- 5. The General Manager shall update the General Regulations Regarding Water Service to incorporate the changes set forth in this Resolution.

PASSED AND ADOPTED this ____ day of _____, 2015 by the following votes of the Board of Directors:

AYES:

NOES:

ABSENT:

Chris Mickelson,
 President, Board of Directors
 Coastside County Water District

ATTEST:

David Dickson, Secretary of the Board

Coastside County Water District

766 Main Street, Half Moon Bay, California

General Regulations Regarding Water Service

~~SEPTEMBER 2013~~ July 1, 2015

General Regulations Regarding Water Service

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A. Application for Water Service

Before water shall be supplied to any premises, the owner or user shall make application to the District, which shall be in writing, contain the name and address of the applicant, his relation to the property as owner, agent, tenant or otherwise, a general description of the property, the name of the street upon which the property fronts, the official house number assigned to the property and the uses for which the water is required.

B. Water Service Deposit

A cash deposit of such amount as the General Manager estimates will equal the applicant's bill for an average billing period, but in the minimum amount established by the District's Rate and Fee Schedule shall be required. Said deposit may be applied, without notice, to the payment of any water bill or other indebtedness which may become past due and owing to the District. Such deposit shall be replenished if it has been applied to the payment of any bill or indebtedness to the District, and any such amount shall constitute an additional indebtedness. The General Manager may, in his or her sole discretion, require the amount of such deposit to be increased, if a customer's average water consumption charges exceed the amount of such deposit, or if payments are repeatedly delinquent, or for other good cause, as determined in the discretion of the General Manager, as a condition of continued service. Any portion of a deposit in the possession of the District when the closing bill is paid, less the amount of any outstanding indebtedness, shall be refunded to the customer. On order of the Board of Directors, a deposit may be refunded to the customer, or the amount thereof reduced. No interest shall be paid on any amount deposited with the District pursuant to these rules

C. Service Connection

1. Upon receiving the application of the owner or user, upon his compliance with the other provisions of this resolution, and in the event that a service connection and meter has been installed to serve the property for which application for water has been made, then and in that event the water shall be turned on and no connection fee charged. In the event no service connection or meter has been installed, a service connection fee shall be charged according to the District's Rate and Fee Schedule.
2. All service connections and meters shall be and remain the properties of the District and shall not be altered or moved by anyone other than an authorized employee of the District. A service connection is defined as an assembly consisting of the District-owned pipeline from the water main to the outlet side of the water meter, the meter box, fittings, and water meter.
3. Said meters and service connections shall be maintained, repaired and renewed by the District when rendered unserviceable through ordinary wear and tear; but in the event that any replacement, repair or adjustment of any water service or meter shall be made necessary by the act or negligence of the customer, his family or employee, any expense connected with said adjustment, renewal or repair shall be charged to and collected from the customer. The District shall not be responsible for open or faulty fixtures or for broken or damaged pipes beyond the District meter. The District

reserves the right to determine the minimum size meter which the applicant may install based on area of property, anticipated water consumption or other means.

D. Rates and Charges

The rate schedule for the various water services rendered by the District has been established by separate resolution. Rates shall be charged in accordance with the terms of the District's Rate and Fee Schedule Resolution as it now exists or hereafter may be amended.

E. Extensions and Water System Improvements

Regulations regarding extensions of service and water system improvements have been established by separate resolution. All extensions of service and water system improvements shall be accomplished in accordance with the terms of said resolution as it now exists or hereafter may be amended.

F. Service Control Valve

The owner of the property to be served shall install a control valve on the pipe between the District meter and the first fixture outlet on the premises. When old premises to which a service pipe has previously been connected are being altered, such control valve shall be installed by the owner of the property if such is not already provided. Where any owner to be served or being served has also a separate and different water supply connected with pipes served by those of the District, he must make suitable provisions whereby water from such separate and different supply may not enter the mains of the District. For such purpose he must install and maintain a double check valve connection according to a plan approved by and satisfactory to the District.

G. Second Dwelling Units in San Mateo County

The following policies and procedures shall apply in the portion of the District located within the unincorporated area of San Mateo County.

1. New Second Dwelling Units

- a. A customer who wishes to construct a new second dwelling unit in accordance with Chapter 22.5 of the San Mateo County Zoning Regulations and who wishes to provide water service to such unit shall submit an application to the District.
- b. The application shall consist of a copy of the application for a use permit and/or building permit submitted to the County and shall also include a list of all plumbing fixtures (showers, toilets, washing machines, etc.) existing within the main dwelling unit and proposed to be included in the new second dwelling unit. The applicant shall allow District employees to inspect the main dwelling to confirm the number of plumbing fixtures.
- c. If the rated capacity of the existing service connection to the main dwelling unit is sufficient to meet the peak demand of the fixture units in both the main dwelling unit

and the proposed new second unit, the District will require that a second meter be installed so that water used by the second unit can be metered and billed separately. The applicant must pay the applicable meter installation charge.

- d. If the rated capacity of the existing service connection to the main dwelling unit is not sufficient to meet the peak demand of the fixtures in both the main dwelling unit and the proposed new second unit, the District will require (1) that a separate service connection and a separate meter to the second unit be installed or (2) that the service connection be enlarged sufficiently to meet the peak demand from both units and a separate meter be installed for the second unit. The applicant in this case must pay the applicable transmission and storage fees for the new or enlarged service connection as well as the applicable meter installation charge.

2. *Existing Second Dwelling Units*

- a. An existing customer who wishes to "legalize" an existing second dwelling unit in accordance with Chapter 22.5 of the San Mateo County Zoning Regulations and who wishes to have water service continued to such unit on an approved basis, as required by Section 6429.2d.(3) of the San Mateo County Zoning Regulations, shall submit an application to the District.
- b. The application shall consist of a copy of the application for a Certificate of occupancy submitted to the County and shall also include a list of all plumbing fixtures existing within the main dwelling unit and the existing second dwelling unit. The applicant shall allow District employees to inspect both dwelling units to confirm the number of plumbing fixtures.
- c. If the rated capacity of the existing service connection to the main dwelling unit is sufficient to meet the peak demand of all plumbing fixtures in both dwelling units, the District will require that a second meter be installed, unless physical constraints make such installation impossible or economically unreasonable, so that water use by the second unit can be metered and billed separately. The applicant must pay the applicable meter installation charge. If physical limitations prevent installation of a second meter, the owner of the main dwelling unit will be charged two base charges on his or her water bill.
- d. If the rated capacity of the existing service connection to the main dwelling unit is not sufficient to meet the peak demand of all plumbing fixtures in both dwelling units, the District will require a second meter be installed, as provided in 2 (c) above, and, in addition, will require the applicant to provide the District with a written statement acknowledging that water using fixtures were installed on the premises in excess of the rated capacity of the existing service connection without notice to or approval of the District and waiving any claim the applicant may have against the District for inadequate water pressure or service. This statement shall be on a form provided by the District.

H. Meter Error Relief/Meter Error or Leak

Any customer that receives an unusually high water bill may request that the District test the meter through which water is being furnished to determine if it is leaking or incorrectly registering. If the Manager determines that the unusually high bill is attributable to a leak or other circumstance that exists on the customer's side of the meter, it shall remain the responsibility of the customer. If the meter is found to be leaking or incorrectly recording water usage, the meter shall be properly adjusted or replaced, and the water bill for the current month shall be adjusted accordingly. In rare cases, if a customer presents clear and convincing evidence satisfactory to the Manager that a leak was caused by circumstances beyond the customer's control and could not have been avoided by the exercise of reasonable care, and that appropriate measures have been taken to prevent similar future occurrences, then relief from an unusually high bill may be granted in the discretion of the Manager, provided that the amount of relief shall not exceed 25% of the difference between the amount of the high bill and the amount of the average of the prior years' bills, or \$500.00, whichever amount is less. The Manager's determination shall be final and not appealable to the Board of Directors.

I. Use of Hydrants

Fire hydrants connected to the main of the District are provided for the sole purpose of being used to furnish water to fight fires, shall be opened and used only by persons to fight fires and shall be opened and used only by persons authorized by the District in writing, the Half Moon Bay Fire District hereby being so authorized. In the event that the District authorizes one other than the Half Moon Bay Fire District to use any such hydrants or any other hydrant of the District for the purpose of securing water, said person shall furnish a deposit fixed by the District Manager sufficient to cover any water used or damage to the temporary meter connection from such fire hydrant or other hydrant at the time of the granting of such permission.

J. Bills and Payment

1. All water services are metered and all meters are read ~~on~~ either a monthly or a bi-monthly basis.
2. Bills are rendered monthly or bi-monthly (depending on the meter read cycle) and are mailed approximately ~~ten-fifteen (1015)~~ days after meter reading date. Residential customers are billed on a bi-monthly basis. Non-residential customers are billed on either a monthly or bi-monthly basis depending on water usage or type of meter.
3. Periodic bills are due and payable on presentation. Twenty one (21) days will be allowed after bills are mailed before the bill becomes delinquent.

K. Termination of Service

1. The District shall notify all customers whose bills are delinquent: (1) that their service is subject to termination if the amount past due, plus a late fee in such amount as may be established by the District's Rate and Fee Schedule, is not paid within ten (10) days

of mailing of the delinquency notice (the “Initial Notice”); and (2) that if the correctness of the bill is disputed, a meeting with the General Manager or his designee to resolve the dispute may be requested.

2. If the amount past due, plus late fees, have not been paid ten (10) days after the notice referred to above is mailed, and the customer has not within that time indicated to the District that the bill is disputed, a final forty-eight (48) hour notice of termination shall be posted at the property receiving service and, if the amount past due and all late fees are not paid upon expiration of the forty-eight (48) hour final notice period, the service shall be discontinued. A Shut-Off Warning Notice fee (as established in the District’s Rate and Fee Schedule) will be charged to the customer’s account when the (48) hour shut-off notice due to non-payment is provided to the customer.
3. If, within the ten day period referenced in Section 1, above, the District is notified of a dispute as to the bill, the General Manager or his designee shall investigate the matter and meet with the customer if desired. Service shall not be discontinued pending the outcome of this review. If the customer does not pay the amount determined to be due by the later to occur of: five days after notice of the General Manager’s determination, or fifteen (15) days after the Initial Notice, service may be discontinued.
4. Amortization of an amount found to be due and owing shall be permitted only if the customer demonstrates that he or she is unable to pay the full amount immediately without undue personal hardship. Amortization, if permitted, shall not exceed four (4) months. All current bills must be paid in full together with the share of the amortized past due amount. Amortization shall apply only to residential customers.
5. Service will not be terminated for failure to pay amounts due on Saturdays, Sundays, legal holidays or other times when the District business office is not open to the public.
6. ~~A charge of twenty dollars (\$20.00) is made for renewals for discontinued service unless renewal of service is made before or after normal business hours or on Saturdays, Sundays or holidays, in which event the service renewal charge shall be fifty dollars (\$50.00), or such other amount as is specified in the District’s Rate and Fee Schedule.~~The customer will be charged a reconnection fee for restoration of discontinued service as established in the District’s Rate and Fee Schedule.

L. Request for Reduction of Size of Existing Water Service Connection and Request for Shut-off

1. Request for Reduction of Size of Existing Water Service Connection.

a. The owner of an improved parcel of property with an existing water service connection of three quarters of an inch (3/4") or larger may request that the District approve a reduction in the size of the existing water service connection. The request shall be on an application form provided by the District and shall be accompanied by the applicable fee for processing such applications.

b. The owner shall authorize a representative of the District to physically inspect the property to determine whether the peak supply capacity of the requested smaller water service connection is sufficient to meet the peak demand of all plumbing fixtures installed at the property.

c. The General Manager is delegated full authority to act on requests for reductions in connection size. However, he may approve such a request only if he is satisfied that the peak capacity of the requested smaller water service connection is sufficient to meet the peak demand of all plumbing fixtures installed at the property.

d. The property owner shall pay to the District the actual cost of changing the water meter to a smaller size. In addition, the property owner shall be solely responsible for changing the plumbing at the meter box at the owner's side of the connection.

e. If a well exists on the property, the owner shall install, or have installed, an approved backflow prevention device at the premises prior to the installation of a smaller water service connection.

f. The water service capacity originally assigned to the parcel of property shall remain assigned to the property. The property owner, or subsequent property owners, may request that the original water service capacity be restored to the property. Such request shall be authorized by the District upon payment by the applicant of the applicable fees and rates in effect at the time the request is made.

g. This section of the District's General Regulations does not authorize the transfer of all or any part of the capacity originally assigned to a parcel to be transferred to a different parcel upon approval of a request for connection downsizing.

2. Request for Shut-Off.

The District will shut-off water service to a premise upon request by the person in whose name the account is maintained. At the same time a reading of the meter will be taken and a closing bill rendered. The bi-monthly service charge shall apply, whether water is used or not, until the District has shut-off service.

M. Emergency Shut-Off

The District shall have the right to turn off the water from the mains or pipes of the system in case of emergency without notice. The customer shall shut off all lawn sprinklers or any steady

flow of water he may be using whenever a large fire occurs in any portion of the District or at the request of the District.

N. No Private Turn-On/No Unauthorized Connection

1. It shall be unlawful for any person to turn on water after the same shall be turned off as herein provided. A ~~twenty five dollar (\$25.00)~~ penalty ~~may~~will be imposed for each violation of this provision as provided for in the District's Rate and Fee Schedule.
2. It shall be unlawful for any person to connect to the District's water pipes without authorization or consent from the District and without paying the full lawful charge therefore. Any person who commits, solicits, aids or abets such unauthorized connection may be liable for a civil penalty of \$1,000 and criminal penalties, or both.

Additionally, the District shall have the right to refuse future connection to the District's water pipes to any person who violates this provision.

Any water meter that has been altered, tampered with, or bypassed so as to cause no measurement or inaccurate measurement of water service will create an inference that this provision has been intentionally violated.

O. No Booster Device

The District hereby prohibits the attachment of any booster pump to a service on the customer's side of the meter and the use of any other method whereby the customer's share of available water through the main to which the meter is attached is increased beyond the amount which would otherwise normally be delivered through such meter without written permission of the District.

P. Penalty for Violation

For the failure of the customer to comply with all of this resolution or with the terms of any other ordinance, resolution or order of this District fixing rates and charges, a penalty for the violation of which has not heretofore been specifically fixed, the customer's service shall be discontinued and water shall not be supplied such customer until he shall have complied with the ordinance, resolution or order which he has violated or, in the event that he cannot comply with said ordinance, resolution or order, until he shall have satisfied the District that in the future he will comply with all the rules and regulations established by this resolution and with all rates and charges of this District. In addition thereto, he shall pay the District a sum to be fixed by the District for renewal of his service.

Q. Lien for Amount Due

Water delivered to real property by the District shall be deemed an improvement to said real property, and the legal charge therefore shall constitute a lien thereon which shall only be

discharged by payment thereof. All delinquent and unpaid charges that remain delinquent and unpaid for a period of sixty (60) days or more on July 1st on each year shall be satisfied in the manner provided for by Sections 31701, 31701.5 and 31701.6 of the California Water Code, as said provisions now exist or hereafter may be amended.

R. Description of Service

1. Supply

The District will endeavor to furnish, so far as is reasonably possible, but cannot guarantee, a continuous supply of water to the customer at a reasonable pressure at the District's water meter, and will endeavor to avoid any shortage or interruption in water service.

In the event that the District is unable to provide satisfactory water service by reason of insufficient or high pressure, inadequate volume of water or intermittent supply, the District shall not be liable to any customer for any damage or inconvenience that may occur as a result thereof. The District reserves the right to implement temporary emergency shut downs of the system due to operational difficulties, natural catastrophes and other causes which may prevent the provision of water service. The District, whenever it shall find it necessary or convenient for the purpose of making repairs or improvements to its system shall have the right temporarily to suspend delivery of water and it shall not be liable for any loss or damage occasioned thereby. Repairs or improvements will be implemented as rapidly as is practicable and, so far as possible, at such times as will cause the least inconvenience to the customer. Whenever possible, and as time permits, all customers affected will be notified prior to such shutdowns.

2. Quality of Water:

The District will endeavor to supply safe and potable water at all times; provided, however, the District specifically disclaims and gives no warranty, express or implied, as to merchantability, fitness for purpose, chemical composition, quality or any other matter of water supplied. The District assumes no responsibility for loss or damage, including but not limited to personal injury, property damage and loss of profits, because of the lack of merchantability, fitness for purpose, chemical composition or quality of water supplied. The District shall not be responsible for any loss or damage arising from leaks, breaks or corrosion in or to District facilities or non-District facilities as a result of the quality of water supplied.

3. Pressure:

Certain areas of the District have high pressure in the water distribution lines. Customers in such areas must install and maintain a pressure regulator in their water service line on their property prior to its entering a structure. The District assumes no liability for damage to property or injury to persons if such a device is not installed and properly maintained by the customer.

S. Fire Protection Service Connections

1. Definitions

a. **Fire Protection Service Connection:** A service connection which is utilized solely for fire protection and through which no water usage occurs except for fire fighting purposes. The service connection consists of the District-owned pipeline from the water main (or other District-owned pipeline) to the outlet side of the gate valve downstream of the detector check device. Fire protection devices which may be connected to a fire protection service connection are fire sprinklers, standpipes and privately-owned fire hydrants.

b. **Fire Protection Agency:** The Half Moon Bay Fire Protection District, the agency responsible for fire protection within the service area of the District.

c. **Detector Check Device:** An assembly consisting of a water meter and check valve which is utilized to measure the amount of water flowing through the fire protection service connection and to prevent flow of water in a reverse direction through the service connection.

d. **Applicant:** The person requesting installation of a fire protection service connection. The applicant shall be the owner of the parcel of land for which the fire protection service connection is being requested except as otherwise permitted by the District.

2. General Installation Requirements for Fire Protection Service Connections

a. Each service connection shall be installed with a minimum of one detector check device.

b. Each parcel of land shall be provided with a minimum of one detector check device.

c. Installation shall be in accordance with District Standard Installation Details. For installation requirements which differ from these standards, service connection design will be performed by the District Engineer, and the engineering costs incurred by the District will be billed to the applicant.

d. Installation shall normally be within a public right of way with the detector check device located adjacent to the applicant's property line as approved by the District. Service connection components located on private property shall be located within an easement approved by and granted to the District prior to installation.

e. Construction shall be performed by a contractor selected by the applicant, except that at locations where the District is installing a water service connection it will also install the fire protection service connection and charge the applicant the actual cost of the fire protection service connection installation on a time and materials basis (District installation will be limited to sizes 3/4 inch through 1-1/2 inch). Construction shall be in conformance with District ordinances, resolutions, policies, procedures, standards, and rules and regulations.

f. The applicant is solely responsible for obtaining all permits required for the project and complying with all federal, state, county and municipal laws, ordinances and regulations.

- g. The applicant is solely responsible for determining that the installation meets the fire service requirements of the Fire Protection Agency.
- h. The applicant shall pay all project costs including District design, inspection and administration; construction; tests; permits; and other applicable charges and deposits imposed by the District and other agencies.
- i. The applicant shall pay all costs of damage to the District distribution system or other District and private property caused by the applicant's contractor. The District reserves the right to perform repair work with its own personnel or by a contractor hired by the District, and to charge the applicant the costs of the repair work.
- j. The fire protection system piping shall be in conformance with State and local cross connection requirements. Where required, the applicant shall install a backflow prevention device as required by cross connection regulations. No fire pumps shall be connected to the fire protection system piping without the written approval of the District.

3. Sizing of Fire Protection Service Connections

- a. Each service connection shall be sized to provide adequate fire protection service in conformance with the requirements of the Fire Protection Agency. The applicant is solely responsible for determining that the installation meets these requirements. The size of service connections shall be determined by the procedure described below:
 - b. Step 1. The applicant or the applicant's fire protection consultant shall obtain from the District available information regarding water service capabilities at the location of the proposed service connection for design of the fire protection system. A copy of the water distribution system map is available for review or purchase at the District office. Static pressure at existing fire hydrants is available or may be obtained. Flow data for some existing fire hydrants is also available.
 - c. Step 2. The applicant shall submit the fire protection system design to the Fire Protection Agency for approval. The applicant shall obtain from the Fire Protection Agency a letter to the District stating the approved fire flow requirements including, but not limited to, fire flow rate and water pressure.
 - d. Step 3. The applicant shall file an application with the District (Application for Fire Hydrant or Detector Check Assembly Installation) complete with the required information regarding water service requirements. The size of the service connection shall be (1) as stated in the letter from the Fire Protection Agency, or (2) as determined by the District to meet the fire flow requirements as stated in the letter from the Fire Protection Agency.

4. Procedure for Processing Applications for Fire Protection Service Connections

a. Following receipt of the application, the District will analyze the project requirements. The District by letter will forward to the applicant copies of the applicable installation details and list of approved materials, and it will authorize the applicant to proceed with the construction work.

b. Construction shall be performed by a contractor selected by the applicant. The contractor shall hold a valid contractor's license in the State of California for performing underground water pipeline work.

c. The contractor shall provide notice to the District a minimum of 72 hours before beginning construction. Inspection of the work shall be performed by the District, and no work shall be backfilled until it has been inspected and found acceptable by the District. Prior to final acceptance, leakage testing shall be satisfactorily completed by the contractor.

d. Connections to District Water Mains. Unless otherwise permitted to the District, all connection to District water mains shall be "hot-tap" connections of the type not requiring the water main to be taken out of service. Contractors shall be permitted to perform "hot-tap" operations as follows:

(1) 1-1/2 Inch and Smaller. Any contractor possessing a valid contractor's license for underground water pipeline work will be permitted to perform "hot-tap" operations for taps within this size range.

(2) 2 Inch and Larger. All "hot-tap" operations for taps 2 inch size and larger shall be performed only by District-approved contractors. A list of approved contractors may be obtained from the District.

e. After satisfactory completion of all work, the District will refund any remaining portion of the applicant's deposit after deducting all District cost. If District costs are higher than the applicant's deposit, the applicant shall pay this additional amount prior to acceptance of the project by the District and before use of the fire service connection facilities.

5. Ownership and Maintenance Responsibilities of Facilities

a. The District shall own and maintain the service connection pipeline from the water main (or other District-owned pipeline) to the detector check device. The applicant will, upon request, execute and deliver a deed or other document conveying title to this pipeline to the District.

b. The applicant shall own and maintain the detector check device and all downstream piping, appurtenances, and fire protection facilities. No water usage will be permitted except for fire fighting purposes. Following notification by the District of water usage being registered on the meter for non-firefighting purposes, the owner shall perform the required repair work to the fire protection system to stop all unauthorized water usage. No additional connections or modifications shall be permitted to the privately-owned fire protection facilities without the written approval of the District. Any such additional connections or modifications shall be in conformance with District rules and regulations including the installation of a separate detector check device for each separate parcel of land.

T. Portable Meters

Portable meters may be issued in the discretion of the General Manager to accommodate construction related activities carried out within the District and for other purposes when good cause is shown. All portable meters shall be issued on a temporary basis only and may be recalled by the General Manager at any time. The General Manager shall designate the hydrants to which portable meters may be attached.

U. Transfer of Uninstalled Water Service Connection Rights

1. All water service connection rights that have not been physically installed are issued for use at specific property described in the application for such connections and/or in contracts for the purchase of such connections. In all cases, the transfer of all or a portion of water service connection rights shall comply with all of the requirements of this section. In no case shall water service connection rights be transferred until the District has approved the transfer in writing.
2. In order to obtain approval for the transfer of uninstalled water service connection rights, the owner(s) of the property to which the connection rights are assigned must submit an application on a form prescribed by the District. Transfer Application forms will be provided by the District. Complete applications will contain all of the following information:
 - a. Identification of the property to which the connection rights were originally assigned, by Assessor's Parcel Number, lot and block number, and street address;
 - b. Identification of the number and size of the existing service connection rights;
 - c. Identification of the number and size of service connection rights requested for transfer to other property. Service connection rights to be transferred must be in standard sizes of physical connections, e.g. 5/8" (20 gpm), 3/4" (30 gpm), 1" (50 gpm); Transfers of partial capacity (less than 20 gpm) must result in capacity that equates to a standard size connection.
 - d. Identification of the property to which the service connection rights are to be transferred, by Assessor's Parcel Number, lot and block number, and street address

(“transferee property”). If the applicant proposes to transfer service connection rights from more than one transferor property or to more than one transferee property, a separate application must be completed for each physically separate transferor and transferee property.

e. Evidence of the current ownership of both properties, and evidence that all persons having any ownership interest in both properties (1) consent to the transfer of the service connection rights, and (2) acknowledge that the property will no longer be entitled to water service or, as the case may be, will be entitled to fewer connections, once the connection rights are transferred. Also, all parties holding a recorded security interest in the applicant’s property or the connection rights must be disclosed and evidence of their approval of the transfer must accompany the application;

f. Documentation from the planning agency of the City of Half Moon Bay or the County of San Mateo, as applicable, establishing that the property to which the service connection rights are proposed to be transferred is potentially developable;

g. An acknowledgement that, if a water distribution pipeline does not serve the new location, the cost of the required pipeline extension will be paid by the applicants;

h. Applicable fees for service connection transfers, and for service connection and meter removal and installation, if applicable.

i. In the case of requests to transfer service connection rights from a parcel which was included in an assessment district formed by the District to finance the construction of the Crystal Springs Water Supply Project, the applicant must provide the following:

- (1) Evidence that the assessment levied on the property from which the service connection rights are to be transferred has been paid;
- (2) Evidence that the property from which the service connection rights are to be transferred has not previously been included as a part of a recorded parcel map or final subdivision map which the District has signed, or for which the District has signed a subdivision agreement, or furnished a will serve commitment letter to a governmental agency, unless all parcels on the map will continue to have the right to a water service connection after the transfer.

j. A document, suitable for recording, and signed by all owners of the property notifying prospective purchasers that, as the case may be, all or a portion of the service connection rights have been transferred to another property and that the subject property is not entitled to water service through the service connection or, as the case may be, is entitled to reduced capacity, and authorizing the District to record the document.

3. Requests for Transfers of Service Connection Rights will not be approved in any of the following cases:

- a. If the property to which the service connection rights were originally assigned is included in an assessment district formed by the District in connection with the construction of the Crystal Springs Water Supply Project, unless the owners of the property furnish all of the evidence and documents required by Section U.2.i.
 - b. If the service connection was for a land use classified as a “priority use” by the City of Half Moon Bay or San Mateo County Local Coastal Plan unless the use at the proposed new location also constitutes a priority land use, unless otherwise approved by said agencies.
 - c. If the transferee property is outside the District’s boundaries.
 - d. If the transferee property is not developable, as determined by the City of Half Moon Bay or County of San Mateo, as applicable.
4. Requests to transfer service connection rights that comply with this Section shall be approved by the General Manager. An applicant may appeal the General Manager’s decision denying a transfer application to the Board of Directors. All appeals shall be in writing, and shall contain a brief explanation of the basis for the appeal. To be considered, appeals must be received at the District office within ten calendar days of the date that notice of denial is deposited in the United States Mail. In exceptional cases, the Board of Directors may approve a transfer which does not meet the requirements of Section U.3 or which is not accompanied by all of the materials specified in subsection U.2, other than those required by Subsection U.2.h, which must be provided in all cases. In such exceptional cases, the application shall be accompanied by evidence that the transfer shall result in a specific public benefit which justifies the transfer and which, as a whole, will result in the preservation of water resources (such as evidence that the transfer will facilitate the preservation of property from which the connection rights will be transferred as permanent open space).
5. Written notice of transfer shall be provided to all agencies that have been furnished with a “will serve” letter issued by the District indicating that water service is available to the original property.

V. Transfer of Installed Water Service Connections Prohibited

All water service connections are issued for use at a specific property. No portion of an installed water service connection may be used at a specific property. No portion of an installed water service connection may be used at any property other than that at which it is installed.

W. Backflow And Cross-Connection Control

1. ***Cross-Connection Control – General Policy***

- a. **Purpose:** The purpose of this regulation is:
- i. To protect the public potable water supply of the Coastside County Water District (District) from the possibility of contamination or pollution from backflow; and,
 - ii. To promote the elimination or control of existing cross connections, actual or potential, between the customer’s potable water system(s) and nonpotable water systems, plumbing fixtures, appliances, and industrial piping systems.
- b. **Authority:** These regulations are adopted pursuant to the State of California Code of Regulations, Title 17 Sections 7583 – 7605, inclusive (State Regulations). The State Regulations, as they may be amended or revised, are incorporated into these regulations by this reference, except to the extent the State Regulations conflict with these regulations, in which case these regulations will govern.
- c. **Policy:** No Non Residential Single Family water service connection or Single Family Residential service connection that have an auxiliary water supply, cross connection, or a risk of backflow or contamination to any premises shall be installed or maintained by the District unless the water supply is protected as required by State Regulations and this regulation. Service of water to any premises shall be discontinued by the District under the following circumstances: (1) if a backflow prevention assembly required by this regulation is not installed, tested, and maintained; (2) if it is found that a backflow prevention assembly has been removed or bypassed, or (3) if an unprotected cross connection exists on the premises. Service will not be restored until such conditions or defects are corrected.

2. ***Definitions***

Words used in this regulation, unless the context requires otherwise, shall be as defined below.

- a. **Approved Tester** means a person who holds a current and valid AWWA (American Water Works Association) Backflow Prevention Assembly Testers Certification and is in good standing with the District to perform backflow prevention device testing within the District’s distribution system in accordance with established procedures as found in the latest edition of the Manual of Cross-Connection Control published by the Foundation for Cross-Connection Control and Hydraulic Research, University of Southern California.
- b. **Auxiliary Water Supply** Any water supply on or available to the premises other than the approved water supply as delivered by the District to the service connection. This includes storage tanks where water quality may degrade, private wells, natural or ornamental ponds, streams, storm water, rain barrels, gray water, and the ocean.

- c. **Backflow** means the reverse flow of water or any other fluid or substance or any combination or any mixture thereof from the customer's system into District's water distribution system.
- d. **Backflow Prevention Assembly** means an assembly of a type and manufacture approved by the District which will prevent backflow into District's distribution system. The District will approve all backflow prevention assemblies that meet the American Water Works Association standards at the time the backflow prevention assembly is installed.
 - i. Air Gap Separation. The term "air gap separation" means a physical break between a supply pipe and a receiving vessel. The air gap shall be at least double the diameter of the supply pipe measured vertically above the top rim of the vessel, in no case less than 1 inch.
 - ii. Double Check Valve Assembly. The term "double check valve assembly" means an assembly of at least two independently acting check valves including tightly closing shut-off valves on each side of the check valve assembly and test cocks available for testing the water tightness of each check valve.
 - iii. Reduced Pressure Principle Backflow Prevention Device (RP). The term "reduced pressure principle backflow prevention device" or "RP device", means a device incorporating two or more check valves and an automatically operating differential relief valve located between the two checks, a tightly closing shut-off valve on each side of the check valve assembly, and equipped with necessary test cocks for testing.
- e. **Contamination** means a degradation of the quality of the potable water by any foreign substance which creates a hazard to the public health, or which may impair the usefulness or quality of the water.
- f. **Cross-Connection** means any connection, link or channel between District's water distribution system and an auxiliary water supply, a pipe or piping system, plumbing fixtures, appliance, container, receptacle, vessel or other devices that may allow for contaminated or used water or fluid, or any other substance of whatsoever nature other than the water supplied by District, to enter any part of District's water distribution system.
- g. **Customer** means any person or organization who receives water from the Coastside County Water District.
- h. **Customer's System** means the water piping system located immediately downstream from a meter or service connection.

- i. **Detector Check** means a by-pass metering device that detects any leakage or unauthorized use of water from fire or automatic sprinkler systems.
- j. **District** means Coastside County Water District.
- k. **District's Water Distribution System** means the water distribution system owned and operated by the District including the service connections to water mains, up to and including the water meter.
- l. **General Manager** means the General Manager of the District or his authorized representative is invested with the authority and responsibility for the implementation of an effective cross-connection control program and for the enforcement of the provisions of this regulation.
- m. **Master Meter** means a metered service connection that services more than one residential, commercial, industrial, institutional, agricultural, or governmental unit.
- n. **Multifamily Residential Service** means a service that supplies water through a master meter to a residential premises, 4-plex, apartment complex or trailer village.
- o. **Non Single Family Residential Service** means all services that are not a Single Family Residential Service. This includes all mixed use, fire, commercial, agricultural, institutional, governmental, multifamily or industrial water services.
- p. **Premises** means a parcel of land including all buildings and appurtenances located thereon.
- q. **Service Connection** means the meter and water piping system connecting the customer's system with the District's water distribution system.
- r. **Single Family Residential Service** means a service connection to a single family home or premises.
- s. **Temporary Water Use** means water used from a fire hydrant or other source on a temporary basis and metered through a portable water meter.

3. ***Requirements for Backflow Prevention Assemblies***

- a. **Existing Service Connections:** Unless otherwise specified by the District, a backflow prevention assembly must be installed on all existing Non Single Family Residence service connections and on Single Family Residential service connections that have an auxiliary water supply, a cross connection, a storage tank or other risk of backflow or contamination by March 31, 2014. Single family residential service fewer than three stories tall with no health threats, auxiliary water supply, or a second District water service and are not under a master meter typically are exempt or qualify

for a single check, non testable device to be installed as part of the meter change out program.

- b. New Service Connections:** A backflow prevention assembly must be installed on all new Non Single Family Residential Services and all new Single Family Residential water service connections that have an auxiliary water supply, a cross connection, or a risk of backflow or contamination. At the time an application for a new water service is made by a potential customer in accordance with procedures established by the District, the General Manager will review the application to determine the need for an approved, backflow prevention assembly on the customer's service. If a backflow prevention assembly is not required, a single check must be installed on the downstream end of the water meter.

- c. Upgrading of Existing Backflow Prevention Assemblies:** An existing backflow prevention assembly that does not provide adequate protection for the degree of potential hazard from backflow or contamination shall be upgraded at customer's expense.

- d. Commercial Fire Sprinkler Systems:** All services to commercial fire sprinkler systems require backflow protection at the point of connection to the District's supply. The type of backflow protection required is based on the sprinkler system construction. For the purposes of this determination:
 - i. Systems utilizing only the District's water supply will require at least a double check valve assembly.
 - ii. Systems utilizing the District's water supply and that also contain chemical additives, on site water storage, auxiliary water supplies, or fire booster pumps, shall require an RP device.
 - iii. Existing systems with a single detector check will not require retrofit.
 - iv. The District, in addition to the Coastside Fire Protection District, shall review and approve all applications for construction or retrofit of commercial fire sprinkler systems.

- e. Residential Fire Sprinkler Systems:** All services to residential fire sprinkler systems require backflow protection at the point of connection to the District's supply. The type of backflow protection required is based on the sprinkler system construction. For the purposes of this determination:
 - i. Systems utilizing only the District's water supply will require at least a single detector check assembly.

ii. Systems utilizing the District's water supply and that also contain chemical additives, on site water storage, auxiliary water supplies, or fire booster pumps, shall require at least an RP device.

iii. Existing systems with a single detector check will not require retrofit.

f. Construction and Temporary Water Use:

i. Construction and temporary water use shall be metered and equipped with either an air gap separation or an RP device.

ii. Inspection of air gap separation and testing of reduced pressure principle backflow prevention assemblies shall be a condition of temporary service and at the expense of the customer.

4. *Ownership of Backflow Prevention Assemblies*

Backflow prevention assemblies installed or upgraded by the customer shall remain the property of the customer. Customer shall be responsible for maintenance, inspection, and testing of backflow prevention assemblies as required herein.

5. *Maintenance, Inspection and Testing of Backflow Prevention Assemblies*

a. Customer shall at all times maintain backflow prevention assemblies serving customer's premises in proper working order and provide for unobstructed access by District to the backflow prevention assemblies as a condition of continued water service.

b. The customer's system must be open for inspection at all reasonable times to authorized representatives of the District to determine whether cross connections or other structural or sanitary hazards, including violations of these regulations, exist.

c. If the customer allows the backflow certification to lapse, the water will be turned off 48 hours after the expiration of the backflow certification.

d. Backflow prevention assemblies must be inspected and tested before a service is connected.

e. District will send a courtesy notice to the customer of the annual backflow prevention assembly testing requirement. The Customer is responsible for the inspection and testing of backflow prevention assemblies. If the Customer does not provide the District with the backflow testing Certificate documenting that the backflow prevention assembly is working properly within 30 days of notification by the District of the need for testing, the

District may contract for the testing and charge the Customer for the expense, or discontinue water service.

- f. Backflow prevention assemblies must pass an annual inspection or more frequently if the risk of contamination warrants it, by being inspected, tested, and certified by an Approved Tester.
- g. All expenses for installation, inspection, testing, repair and maintenance of backflow prevention assemblies shall be borne by the customer.

6. *Enforcement*

Water service to any premises may be discontinued by the District if the backflow prevention assemblies have not met the conditions set forth in this regulation or if the General Manager has determined that a situation exists which could cause contamination of the District's water distribution system. All backflow prevention assemblies that do not pass a backflow prevention assembly test must be repaired and in proper working order within thirty (30) days, or such shorter time period as the District determines to be necessary to minimize the risk of contamination. Service will not be restored until the General Manager has determined that the risk of contamination to the District's water distribution system has been corrected.

7. *Severability*

If any provision or part of this Ordinance is held to be invalid, or unenforceable in particular circumstances, such invalidity shall not affect the remainder of the Ordinance which shall continue to be of full force and effect and the Board declares this Ordinance to be severable for that purpose.

8. *Publication*

The General Manager is hereby directed to arrange for this Ordinance to be published in a newspaper of general circulation in the District within ten (10) days of its adoption.

X. *Severability*

If any section, subsection, sentence, clause or phrase of this Resolution is, for any reason, held to be invalid or unconstitutional by a court of competent jurisdiction, such a decision shall not affect the validity of the remaining portions of the Resolution. The Board of Directors of the COASTSIDE COUNTY WATER DISTRICT hereby declares that it would have passed this Resolution by section, subsection, clause and phrase thereof, irrespective of the fact that any one or more other sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Derivation Table

A	Res. 437
B	Res. 437, Res. 552, Res. 658, 2004-13
C	Res. 437, Res. 730
D	Res. 437
E	Res. 437
F	Res. 437
G	Res. 536, Res. 673, Res. 713, Res. 730
H	Res. 437, Res. 658, Res 2006-23

I	Res. 437
J	Res. 552, <u>2015-XX</u>
K	Res. 552, Res. 652, Res. 658, 2004-13, <u>2015-XX</u>
L	Res. 850
M	Res. 437
N	Res. 437, Res. 825, <u>2015-XX</u>
O	Res. 437
P	Res. 437
Q	Res. 437
R	Res. 713
S	Res. 831
T	Res. 554
U	Res. 702, Res. 705, Res. 717, Res. 858, Res. 881, Res. 2001-08, Res. 2002-17, Res. 2003-19
V	Res. 855, Res. 881, Res. 910, Res. 2001-08
W	Res. 880, Res. 2001-08 (Appealed section) - - New Section Incorporated with Res. 2004-15, Ordinance 2013-01
X	Res. 437